Major Douglas and Social Credit (Page 3) **Codes In Canada** (Page 11) **Enlarged Mining Section** (Pages 18-20)

LARGEST CIRCULATION
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FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

THREE FULL PAGES
OF MINING NEWS
EACH WEEK

Vol. XXVIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, APRIL 7, 1934 | 10c a Copy; $5.00 a Year | No. 14

The Nation's Business

Is N.M.P.A. Venture in Social Planning?

Not as Fascist as It Looks

Political Party Franks Magazine

Taxpayers Pay for Party News

Judge Fullerton Opposes Merger of Rail Systems

No Social Planner Is Hon. Robt. Weir

THE drastic marketing legislation at Ottawa suffers from one weakness that has already caused unfortunate confusion: its ultimate purpose is not well defined in the bill itself.

Already the bill has been hailed—or criticized—as a plunge into economic Fascism. If the government, upon the passage of the Natural Products Marketing Act, were to use to the limit its power it could clamp down upon Canadian agriculture as heavy a hand of State control as Mussolini has laid upon Italian industry, or Secretary Wallace has laid upon American agriculture.

Already the bill has been taken in some quarters at the limit of its face value. American newspapers, in their comments, have assumed that it promises—or threatens—all that it can possibly imply. British newspapers compare it to Major Elliott's far-reaching marketing control schemes in Britain. The Free Press, of Winnipeg, expresses a widely held, if extreme, view when it says that it goes further than similar legislation in any country in the world having parliamentary government.

The Free Press, by way of warning, records the trouble Britain is having with its milk scheme and its pig scheme, and the disappointments that have followed Fascism in Italy, and N. R. A. and A. A. A. in the United States. The battle on the issue of economic control is now joined in Canada, says the Free Press, and the western paper finds the Tories and the Socialists in the same camp.

These are the extreme possibilities of Mr. Weir's N. M. P. A. It could turn out to be Canada's first venture in the A. B. C. of State Socialism. But is the danger very real?

* * *

IN ITS first-blush comments last week The Financial Post refused to take for granted that Mr. Weir intended to set up an agricultural Corporate State in Canada — although the bill gave him power to do so if the nine provincial governments desired and voted for it. Mr. Weir is a farmer; but from training and background he sympathizes with practical business methods and a large measure of individual freedom. His chief, Mr. Bennett, is likewise more interested in the records of experience than the shining idealism of social experimentation. Both men fall very definitely in the class that our smart young theoreticians consider reactionary.

As the bill goes through the various stages of passage through Parliament it will probably be made clear by Mr. Weir that what he has in mind is not a revolutionary system of State dictatorship of every phase of farming, fishing and lumbering in Canada, but merely the gradual improvement of these industries, particularly in the marketing phases, through State-encouraged association of producers.

* * *

IN THIS week's issue, our Ottawa correspondent presents what may be accepted as an authoritative summary of the Government's objectives. Four points are emphasized:

1. The Government is taking powers to meet certain possible contingencies in international trade;
2. The ordinary distribution machinery now existing is not to be replaced;
3. Co-operative effort of primary producers will be encouraged;
4. Through government grading, the quality of produce going to market is to be improved.

There is nothing very dangerous or reprehensible in any of these, rather much that is desirable and necessary.

Of primary importance is it to improve our marketing and grading methods for both domestic and export farm produce and to find and hold markets by sound merchandising methods. Here is where Mr. Weir, in making the legislation effective, must concentrate his activities for the next few years.

But it may be better to ask for

(Continued on page 2, col. 3)

MUNICIPAL ACT CHANGE HELPS BONDHOLDERS

Abandoned Section 18 Would Have Hurt Debentures

SEE BANK INFLUENCE

Revised Bill Allows Appointment of Municipal Inspector Prior to Default

Removal of section 18 of bill No. 126, to amend the Ontario Municipal Act, marked an important gain for municipal bondholders in the opinion of authorities on municipal finance. The section provided that proceeds from sale of lands vested in municipalities by the "registration" process for defaulted taxes should be applied in the following order:

1. For expenses of sale.
2. On liens subsisting upon any arrears of taxes on the properties, meaning chiefly bank loans.
3. In payment of county rates.
4. On debts of the municipality, including debenture debt.
5. For general municipal purposes.

The bill, which has recently been passed, has had this section removed entirely.

The only other major change in the bill as outlined in The Financial Post of March 24 is provision of power for the Ontario Municipal Board to appoint an inspector to control a municipality before default occurs.

Meaning of Registration

In 1932, when the original Municipal Board Act was passed, a short form of taking over lands for tax arrears was instituted. It is known as "registration." This is not a change in principle of tax sales in any respect. It was simply intended to relieve a municipality of some of the expense and formality of tax sales. It was considered ridiculous to advertise long lists of lands at great expense when, obviously, there would be no one to buy or pay taxes on them. Therefore, the system instituted in 1932 was put into effect.

Some measure of the extent to which it has been operated can be obtained from the fact that in Sandwich West property registered for non-payment of taxes in 1932 represented a sum of $1,003,336. Similarly, in East Windsor properties registered amounted to approximately $1,000,000. If these properties had been worth the taxes, they would have been bought in. Apparently, the owners abandoned them and no one thought well enough of the properties to purchase them. Therefore, they were registered. If, after a lapse of one year, they were not redeemed, they became the absolute property of the municipality.

Bank Liens on Taxes

Until the end of 1931 or 1932 a bank might have a lien on taxes as security for advances. These liens, held by the bank when the municipality has been in difficulty, have always been the source of some uncertainty. Representatives of debenture holders have maintained apparently with some justification, that taxes levied for debenture purposes cannot be diverted for any other use. They are ear-marked for such purposes and, therefore, it is doubtful whether a lien would hold for such taxes unless all claims of debenture holders had been met out of bank advances. Under the now abandoned section 18 the bank would have a clear right to those taxes.

In the municipalities named, and in others, these lands have reverted to the municipality. Lawyers generally who have looked at the question appear to be of the opinion that, when these lands passed to the municipality they were freed of all liens. The liability, however, of the municipality to the bank is not removed. At this point, the bank has a general charge against the municipality but, in this respect, is in the same position as every other creditor, without preference.

Effect of Proposed Section

The effect of the proposed section would have been to divert any proceeds which might arise from the

(Continued on page 2, col. 6)

Inspectors Sought Municipal Defaults

In the next six to nine months, numerous Ontario municipalities are expected to seek the advantages of inspectorship under the recently revised Ontario Municipal Board Act, The Financial Post is informed. Inspectorship is allowable if a municipality is in default of principal of debentures only, or is expected to default principal, and if 60 per cent of bondholders have agreed to some scheme of compromise.

Leamington is understood to have signified a desire for inspectorship already, although the revision of the Act was completed only on March 29. There have also been indications that Walkerville will seek the advantages of the revised Act. Others, including some municipalities already in default of principal only, are expected to ask for inspectorship.

Simpson's Building And Raising Salaries

Simpson's Ltd. introduces the "Renovize Toronto" civic campaign for celebrating its centennial by announcing its intention to complete by June a new parking station at 33 Richmond St. West, which will double present parking space available for patrons. The new structure will have a northern frontage on Richmond St. of 127 feet and a southern frontage on Temperance St. of 231 feet. It will cost $100,000 but C. L. Burton, president, states that another $100,000 will be spent in renovizing old property.

Mr. Burton also states that Simpson's Ltd. will spend several hundred thousand dollars more in wages and salaries to its employees in 1934 than in 1933. It is understood that this refers to a five per cent increase on all salaries which were cut during the depression. Minimum salaries were not cut. It also includes the restoration of holiday privileges made last December as this will increase actual salary payments to employees materially.

OTTAWA NOT TO INTERFERE IN MARKETING

But New Federal Act Aims to Improve Quality of Produce

LOOKS TO FUTURE

Quota Provisions Aim to Give Canada International Trade Weapon if Needed

From Our Own Correspondent

OTTAWA. — While conceding that the Natural Products Marketing Act is the most drastic legislation of its kind ever introduced in an elective parliament, cabinet ministers in informal conversations stress four phases of the legislation which are not apparent upon the face of the bill.

They are:

1. Several major provisions of the act are designed to meet possible contingencies in international trade and in reality have nothing to do with the Government's marketing scheme.

2. There is to be no interference with the ordinary distribution machinery. There may be an element of control in so far as price spreads are concerned but there is absolutely no intention of changing the character of the existing machinery of distribution.

3. It is proposed, so far as primary producers are concerned, to stimulate co-operative effort to as great an extent as possible in the fields of production and initial sale.

4 The bill will enable the Government through extension of the grading policy to compel producers to improve the quality of their produce. Inferior product will, practically, be graded off the market.

Sound Legislation

In addition ministers are confident that the new statute will prove to be sound, constitutional legislation in every respect. In drafting the bill great care was taken to keep within the four corners of Dominion jurisdiction and close attention was paid to the Privy Council judgments in the Board of Commerce appeal and other similar cases.

It is apparent that the Government is mostly concerned with getting the information across to the wholesalers, jobbers, commission men, retailers, the packing houses, etc., that there is to be no interference with them. The present machinery for handling primary produce both in the domestic and the export fields is deemed efficient and will be retained.

It is not expected that the Government will have need to exercise the power conferred in the bill to regulate spreads. But even if this is done, the middlemen will not be put out of business.

With respect to the powers that are taken for purposes other than the marketing policy, these refer to the fixing of quotas and the regulation of imports and exports. These powers have been taken because the Government feels that the great trading nations of the world are tending more and more toward a quota system of trade. The Government believes it is necessary that Canada should be able to keep abreast of world movements in this regard.

The probable course of Government policy under the act will be to apply the marketing machinery in a restricted field at the outset and to add additional schemes as experience is gained. The fruit industry will likely be the first to be dealt with.

Politically speaking there is reason to believe that the bill will meet with little resistance in the House of Commons. Certainly there will be no united opposition to it. A score or more of Liberal members are going to vote for the legislation and the C. C. F. group regard it as a step toward national planning and, therefore, entirely praiseworthy.

ONTARIO GOV'T WILL LICENSE GASOLINE SALE

Getting After Unscrupulous Dealers Avoiding Tax Payments

CAN CONTROL SALE

Nova Scotia Example Makes Industry Wonder Whether Other Provinces Intend to Curb Outlets

Great interest throughout the whole oil industry is being taken in "An Act respecting the Handling of Gasoline," which was passed by the Ontario Legislature after being introduced by Hon. Leopold Macaulay, Minister of Highways. It proposes to make it obligatory on all persons selling gasoline in the province for use in motor vehicles to get licenses from the Department and the Department is given power to refuse to grant a license and to revoke or suspend any license given. No fee will be required but it is explained that the Department thinks it desirable to require licenses in order to obtain full information as to the quantities which are used in the province.

The recent legislation passed in the Nova Scotia Legislature draws attention to the fact that this ability to refuse or revoke licenses places it in the power of the Ontario Government to control the number of outlets if it ever desires to establish conditions similar to those aimed at Nova Scotia or by Code regulations in the United States aiming at "fair trade practices." It is explained that this power with regard to licenses is only the "usual" power but it could be the first step in a policy of control.

Asks Monthly Returns

The Act requires monthly returns from manufacturers, importers and vendors of gasoline even in months when they make no sales. It provides for inspection of bills of lading as well as the monthly returns where gasoline is imported into the province and it makes it necessary for refineries to install at their own cost approved automatic meters so that the inspectors of the province may verify the quantities of oil required by manufacturers and the quantities manufactured or used by them.

The Financial Post has in several articles in recent years intimated that there was evasion of provincial taxation on a substantial scale by unscrupulous vendors and that taxation returns did not in every case show all the gasoline sold. There were a number of cases also where vendors would sell gasoline for a couple of months at a low figure and then go broke, the result being that the province could not collect its taxes. All this meant difficult competition for honest vendors to meet. A strict check-up will be welcomed by honest vendors.

Greatly Over-done

The Nova Scotia venture, however, will make all provincial legislation, with respect to the sale of gasoline, of interest as the argument in Nova Scotia was that limiting of outlets and greater sales at remaining outlets would cut cost of distribution materially and therefore help both the public and the taxing authorities as well as the vendors. There is no doubt that in every province the establishment of retail outlets for sale of gasoline was greatly overdone and it is difficult for many of them to make a profit under the conditions. All sorts of additional motor requirements have had to be added to help each service station to make good.

Slight Revival In Construction Seen in March

The gain shown by March construction contracts over both February and March a year ago was the feature of the leading business indicator released during the past week. The gain over March a year ago has been created by relief work to a considerable extent but the improvement over February is evident in all classes of construction.

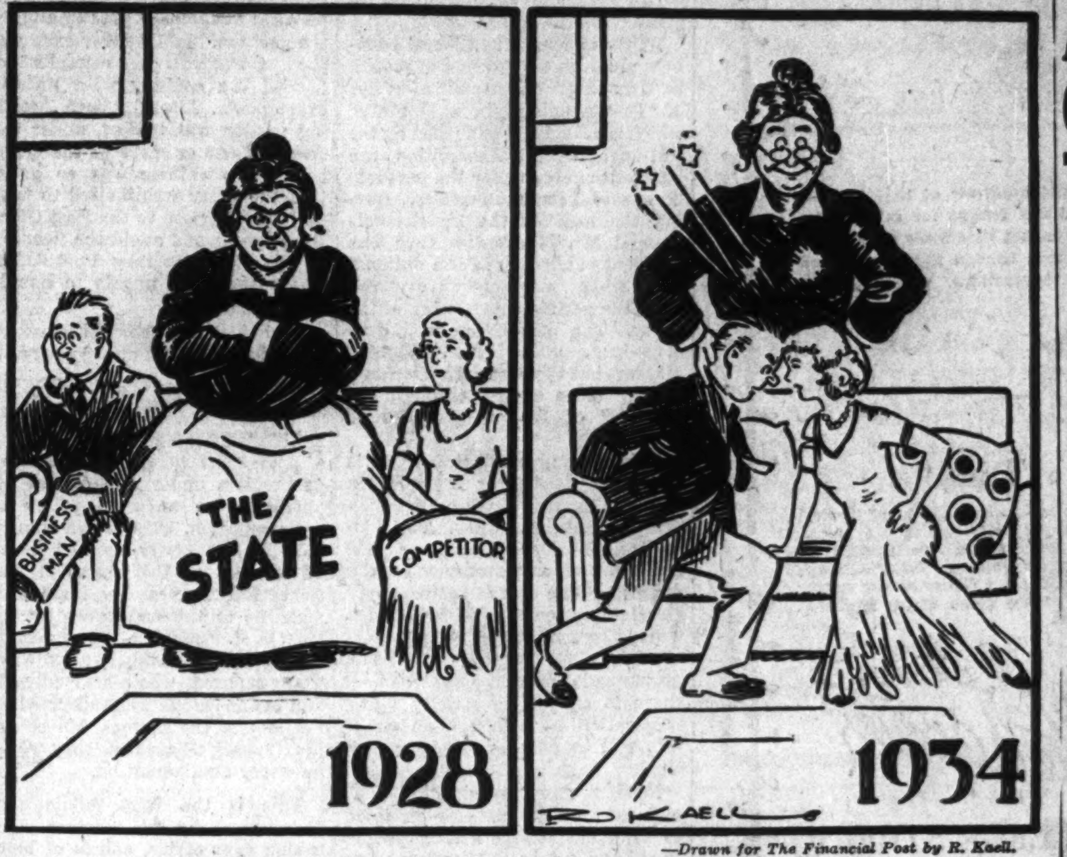
Coal and coke production both show some decline from the previous month, this being the seasonal trend, while coal production is below March of 1933 due to mild weather experienced in B. C. and on the Prairies.

Monthly.		Mar., '34	From Prev. Period %	From Prev. Year %
Constr. contracts		$ 7,517,500	+ 33.4	+139.0
		Feb., '34		
Coal prod.	tons	1,016,458	— 20.1	— 2.8
Coke prod.	tons	169,134	-- 13.3	+ 32.0
Auto sales†	No.	4,230	+100.6	+ 76.3
		$ 4,169,906	+100.8	+ 65.3
Autos. financed‡	No.	2,734	+ 26.9	— 16.4
		$ 1,123,939	+ 38.1	— 4.1
Rubber imp.	lbs.	4,153,321	+ 7.9	+ 46.8
Weekly*				
Car loadings	No.	42,318	— 3.0	+ 10.2
Cattle sales	No.	8,917	— 18.0	— 6.1
Hog sales	No.	16,162	— 13.2	— 28.7

* Weeks ended March 24, 29 and 29 respectively.
† Cars and trucks.
‡ New and used cars and trucks.

B. C. Produces More Coal

The coal mines of British Columbia produced 423,183 tons of coal in the final quarter of 1933 as compared with 401,283 tons in the fourth quarter of 1932, according to federal statistics.



—Drawn for The Financial Post by R. Kaell.

WHAT A WHALE OF A DIFFERENCE A FEW YEARS MAKE

CHANGE SEEN IN RANKING OF LIFE CO'S

Official Federal Figures Show 1933 Position for Canada

Continued dominance of Metropolitan Life in the field of ordinary life insurance underwriting in Canada and emergence for the first time of London Life in second place is indicated in an analysis by The Financial Post of figures released by the federal insurance department this week.

Relative gains are also shown by Confederation and Dominion Life among the leading companies.

The figures show for the first time the exact amount of new business paid for in Canada by all life companies operating in the Dominion and permit segregation as between ordinary, group and industrial business. Since "ordinary" business represents almost 75 per cent of the total new business paid for in Canada last year, The Financial Post has compiled these figures from the federal returns and has ranged them on the basis of the amount of new ordinary business written in Canada during the past year.

Only 10 companies reported a larger volume of ordinary business paid for in Canada in 1933 than in 1932. These are: Dominion Life, Monarch Life, Prudential of England, Standard, London & Scottish, Dominion of Canada General, Maritime, Commercial, Capital and Occidental.

The figures for each company in the past two years follow:

Net New Ordinary Business Paid for in Canada

	1933 $	1932 $
Metropolitan	78,720,234	79,881,196
London	40,876,978	42,970,364
Sun	40,630,308	53,897,600
Mutual of Can.	36,307,684	38,775,956
Prud. of America	31,858,748	34,122,158
Great West	27,950,399	28,343,422
Manufacturers	21,934,647	25,758,205
Confederation	17,858,080	19,790,548
Canada	16,306,201	23,634,879
Dominion	14,151,137	13,829,747
Imperial	13,143,289	15,177,269
North American	11,398,706	15,129,815
Crown	10,359,960	10,632,451
Excelsior	8,001,044	8,835,737
Travelers	6,416,400	8,963,600
New York	6,020,600	8,785,400
Monarch	5,851,150	4,640,500
Montreal	4,919,193	6,241,346
National	4,849,220	6,416,673
Northern	3,611,267	3,905,637
Prud. of England	3,436,827	3,281,751
Continental	3,138,581	3,579,784
Sauvegarde	2,699,608	2,522,853
Aetna	2,370,769	3,987,886
Sovereign	2,239,999	2,817,194
Eaton Life	2,142,987	2,480,073
Standard	2,046,446	1,986,100
Capital	1,993,773	1,953,346
Western	1,889,685	1,512,010
Royal	1,423,223	1,587,617
London & Scottish	1,343,624	772,829
Dominion of Canada	1,130,538	881,296
Maritime	909,694	859,764
Commercial	845,172	843,233
Saskatchewan	838,736	965,413
Mutual & Citizens	762,868	869,608
Occidental	465,900	296,000
Royal Guardians	344,600	461,200
Union Mutual	213,500	315,500
Mutual of N. Y.	99,500	2,509,998
	*430,981,766	*484,843,852

* Includes one or two virtually inactive companies not listed above.

New Financing of $73,202,653 in First Quarter

New Government and municipal financing in Canada in the first quarter of 1934 totalled $73,202,653, according to an analysis by Wood, Gundy & Co. This compares with $19,183,943 in the same 1933 period and $85,033,193 in 1932.

In March, 1934, new financing totalled $25,926,999, made up chiefly of Dominion treasury bills, $15,000,000 and province of Quebec 4's, $7,700,000. Hamilton, Halifax and Ottawa floated loans at low rates of interest. The March total compares with $360,727 in the same 1933 month and $22,900,602 in March, 1932.

OTTAWA BACKS HALF BILLION IN GUARANTEES

Credit of Dominion is Pledged to This Amount Since 1930

From Our Own Correspondent

OTTAWA. — Since midsummer 1930 the Dominion Government has guaranteed or otherwise pledged the credit of Canada to the extent of close to half a billion dollars.

Facing the myriad problems of the depression — problems which changed from day to day—pressed from every conceivable angle and on behalf of innumerable interests, the government has pledged credit of the country to an extent not commonly realized. The exact total of these pledges cannot be learned officially, and it is apparent from a glance at the appended table that the government itself does not know where it stands from day to day.

C.N.R. Guarantees Large

It is an open question as to whether Ottawa has more at stake in guarantees in wheat or in the National Railways. The wheat stabilization guarantees to date are conservatively placed at $130,000,000. Guarantees to the National Railways since August, 1930, certainly far exceed $100,000,000. In November, 1932, the figure given in an official return was $80,000,000 and today the total is probably nearly twice as high.

Then there is the C.P.R., which now has advances exceeding $60,000,000. Next in importance come the loans to the Western provinces at $46,472,000, with advances to the harbor commission following close at $34,000,000. The following table indicates the present position of the Dominion with respect to guarantees.

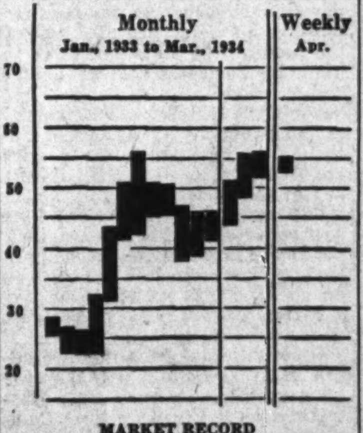
	$
Beauharnois	15,538,500
Western provinces	46,472,000
Saskatchewan drought relief	10,000,000
Province of Manitoba savings office, given to the chartered banks	12,108,302
C. N. R. (unemployment relief)	1,447,223
C. P. R. (unemployment relief)	1,000,000
C. P. R.	60,000,000
Dominion Steel & Coal Company (steel rails)	1,100,000
Algoma Steel Co., (steel rails)	660,000
Newfoundland	625,000
Wheat stabilization (conservative estimate)	130,000,000
Harbor Commissions	34,000,000
Farm Loan Board	5,800,000
Grand total	358,751,024

Add Steamship Loans

No figure is given for the National Railways although, as stated, the total in November, 1932, was $80,000,000. Neither is there included a figure for the twin steamship services—the C.G.M.G., and the Canadian National Steamship Co.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Apr. 3	55.3	53.1
Week of Mar. 27	55.1	52.9
Month of Apr., 1933	32.2	23.0
10 Public Utilities		
Week of Apr. 3	54	52
Week of Mar. 27	54	52
Month of Apr., 1933	45	39
8 Bank Stocks		
Week of Apr. 3	186	183
Week of Mar. 27	187	185
Month of Apr., 1933	150	143

Highlights of the week

Codes for Canada

Free competition, formerly called "the life of trade," is being condemned, may be suppressed. The conundrum of an N.R.A. for Canada outlined in the first of an authoritative series of articles. Page 11

Tipster Sheets

Pitfalls for unwary investors in "advice" sheets now flooding the mails. Inspirations of unscrupulous promoters. Page 9

Monetary Heretic

Major C. H. Douglas, rated the world's No. 1 monetary heretic, is in Canada. Why he's here and what he preaches. Page 3

More Mining News

Enlarged mining section, now three pages, enlightens investors with reliable news of Canada's gold boom. Pages 18 to 20

Fire — Casualty

Experience of companies in 1933. Revealingly analyzed in the exclusive Post manner by company and management groups. Tariff results compared with non-tariff. Pages 12-15

Medal Winner

Conqueror of intricate metallurgical problems of Flin Flon ore, Robert E. Phelan has won the platinum medal of International Nickel Co. How he did it. Page 20

Motor Strike

Significance of settlement of threatened strike in U. S. motor industry. A. F. of L. loses prestige. Told by Dr. Gaines T. Cartinhour, New York University. Page 16

Canada Can Refund

H. L. Stewart, of Dalhousie University, makes authoritative review of debt conversion plans. Page 2

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ACCUMULATING CANADIAN CASH TO BUY LIQUOR

High Customs Duty Still Bar to Effective War on Bootleggers

TRADE DISORDERLY

Big Companies With Well-known Brands Are Digging Themselves in—Prices Chaotic

The Canadian dollar has as one of its elements of strength at New York City the steady accumulation of Canadian exchange by liquor interests who desire to buy Canadian spirits. New York financial writers have shown a disposition to regard this as a new phenomenon caused by a desire of importers to take advantage of the trial period of 30 or 60 days to begin May 1 when restrictions on imports of intoxicating liquors are to be lifted as part of the administration's move against bootlegging.

Exporters in Canada, however, lay little stress on this angle of the business and are not even excited by the decision reported in a dispatch, dated March 29, from Washington, D.C., that permission would be given throughout April for unlimited importation of American type rye and Bourbon whiskies from any country. It is true that Canada has practically the only foreign supplies of much account but holders of these supplies have not been worrying about the present quota regulations. The real bar has been the United States duty on imports. As it has been urged at Washington that the duty should be cut in two, Canadian exporters and United States importers will be slow to take further advantage of the wide-open period than actual needs require because they would fear a later drop in duty would put any supplies sent into the United States over the present tariff in a vulnerable position competitively against later supplies.

Although the trial period is spoken of as a wide open era for imports, the duty of $5 a gallon may still be regarded as a very effective protection against legitimate imports. This protection may have to be reduced considerably if the United States Government is to cope adequately with the widespread revival of bootlegging. Many of the well known brands of the big distilling companies are being counterfeited and sold to unscrupulous dealers. Imported products are being both smuggled in and counterfeited and even cheaper grades of domestic whisky are being packaged and marketed extensively under masquerading labels. Bottle makers and bottle cap manufacturers state that large orders have been received from customers formerly known as bootleggers before repeal. The latter are said to do a small legal business which covers a much larger illegal volume.

So far there is a large enough whisky market for the bootlegger on the one hand and for the efficiently run manufacturing and marketing legitimate companies on the other. Every week finds certain large companies settling down more securely in the saddle, as they extend marketing relationships, establishing industrial and brand policies and accumulate information as to the extent and kind of competition in both legitimate and illegitimate channels.

It is admitted that in from 3 to 4 years at the most there will be plenty of whisky available. Although there will be plenty of whisky, there will not be plenty of good whisky, however. A distiller, of Louisville, Ky., is quoted as saying: "At the rate the distillers are bottling and shipping their new-made whisky at 93 proof or better, it is apparent that they will not have any large stock of aged whisky for some years to come. A lot of whisky is now being bottled and sold after from six to eight months in the wood. Most of the whisky being bottled now is of the type known as quick maturing and it has been quick-aged with quick agers, steam pipes and storage in heated warehouses to give early coloring and mellowing."

On the other hand, some large companies are not selling whisky, though they are making it as fast as they can.

Costs Are Higher

The new whisky is costing 40c. per gallon to produce and 22c. a gallon extra in taxes.

Barrels cost three times as much as they did in pre-prohibition times.

Price remains an engrossing feature of the situation. In Virginia it is impossible to sell for less than $1.75 a quart and make a profit if all taxes and charges are met. Bootleggers are stated to be already selling as low as $1.75 per gallon and in rural sections it is stated whisky is being sold for $2 in case lots.

But even the same brands differ in price from state to state. The Ohio liquor law requires a payment to the Ohio state treasury of $1 a gallon for every gallon sold and, therefore, Ohio charges 25 per cent more than Michigan does for plain whisky. Rye and Bourbon whiskies range in price from $1.75 to $4.95.

Scotch whiskies are reported to be selling as follows: One-fifth, $3.60 to $5.55; Irish Whisky one-fifth from $4.20 to $4.30. Domestic gin sells from $1.25 to $2 for one-

(Continued on page 2, col. 7)

MEN'S SHOP

Reporting the
MEN'S SHOP

Fit For a King

The crown is the traditional headwear of Royalty, and while Reporter didn't find any crowns for sale in the Men's Shop, he did find hats that were made for a King. They're by Scotts, the famous London Hatter who has held the Royal Warrant for generations. Grey or brown felt. $10.00

When a Derby is a "Darby"

It may be quite all right to call an ordinary black bowler a derby, but the ones that Reporter saw in the Men's Shop are so English that they would feel insulted if you called them anything else but a "darby". They are made by Battersby, the English Hatter whose name is known in every corner of the globe where Englishmen have travelled. $7.00.

The Reporter

EATON'S—COLLEGE STREET

Seal Hunt Success Assured Newfoundland Trade Better

Commission Government Proves Popular — Codfish Outlook Reported Generally Improved as Stocks in Chief Markets Are Low

Unqualified success for this year's sealing expedition from Newfoundland is assured with the report on April 2 that over 200,000 seals had been killed and that about 190,000 were on board. Last year, one of the most successful hunts in the past decade accounted for only 176,000 seals. Aggregate value of this season's catch will be about $300,000, it is estimated.

While the total value of exports of seal products has not exceeded $1,000,000 since 1919, success of this, the first fishing venture of the season, has an important psychological effect as it is generally accepted to presage a successful cod fishery.

New Government Popular

From Our Own Correspondent

ST. JOHN'S, NFLD.—First commercial venture since the new commission government took control of Newfoundland's affairs, the annual seal hunt appears to be well on the way to success with over 100,000 seals on board and 64,500 on the ice according to wireless radio reports on March 25. S.S. Imogene is high boat with 52,000 pelts followed by the Boethic and Ungava with 33,000 each.

Actions of the new government since it took office have created a very favorable effect among all classes of the population here, elimination of the air of mystery which surrounded the local government's actions for so long being fully appreciated. It is felt that the frankness of the administration in taking the public into its confidence will be amply repaid by a greater willingness of everyone to do his or her bit to improve conditions in the country.

Establish Bait Depots

Already, constructive action has been taken by the government, the decision to establish bait depots at strategic points on the coast being probably the most important. Meanwhile, the members of the commission are making every effort to obtain as wide an acquaintance with the country and its people as is possible in order to equip themselves properly to appreciate the distinctive problems of Newfoundland.

Investigation of the Island's natural resources will shortly be undertaken and the commission has appointed F. Gordon Bradley, former opposition leader, to investigate labor conditions in the lumber camps.

Early announcement by the commission that no change in the current tariffs would be made for a year at least was appreciated by everyone engaged in trade. In some quarters, of course, there was disappointment that relief from some of the higher tariffs was not promised but in general it is felt that the stability assured for a year will prove a boon to business.

Codfish Prospects

While news from the seal hunt dominates the news and conversation at the present time, prospects for the cod fishery are also being freely discussed. Latest reports from world markets indicate a generally better tone while freer currency regulations in South American countries should result in heavier sales and quicker settlement in this area.

In European countries, stocks of Shore fish are light and demand is holding up fairly well while good prices are being obtained in the British West Indies, according to a recent report from these markets published in the Newfoundland Journal of Commerce. Stocks of Labrador fish are low in Spain and Greece and some improvement in price is in evidence. Shipments to the Porto Rico market have been almost twice those of a year ago in recent months and demand has been good.

Total codfish shipments during January and February were slightly greater than in the same period of 1933 and the highest since 1927, the amount being 230,556 quintals. Shipments of cod liver oil and herring have been considerably smaller, however.

Attention has been drawn to the 100 per cent increase that has taken place in Iceland's exports of dried codfish during the past ten years while Newfoundland's total has declined. Further aggressive marketing is undoubtedly needed. The fact that the Lunenburg catch declined from 230,000 quintals in 1928, to 81,000 in 1933 and that this catch is all marketed in South America would seem to prove that the market is wider than it ever was for Newfoundland.

NO SPECIFIC PLANS FOR B. C. CABINET PLEDGED BY S. P. A.

Premier Thinks Act Intra Vires — Says Powers Needed

From Our Own Correspondent

VANCOUVER.—Ignoring opposition headed by G. G. McGeer, K.C., who had early in the session favored a dictatorship but later attacked the measure on the ground that it was too drastic, the Pattullo government adopted its Special Powers Act, giving the cabinet sweeping authority to meet the economic situation in this province.

The act has been described as the most radical of its kind ever brought down in an Empire legislative assembly inasmuch as it will, to some extent, deprive the legislative of many privileges it has enjoyed in the past and which will now be controlled by the Lieut.-Governor-in-Council. However, the true nature of the act will be tested by the extent to which the government makes use of the powers it has been given.

No Actions Pledged

The act does not pledge the government to any specific course; merely provides the instrument by which the government may act. Whether the legislation will result in serious conflict with the federal government remains to be seen. The course of the Pattullo administration with respect to debt refunding and extension of credit for public works has yet to put in effect.

Meanwhile Premier Pattullo has given assurance that British Columbia will meet all its obligations. "It has been said we are bankrupt," he declared. "I deny that. Because you are temporarily hard up for a little cash you are not bankrupt."

Mr. Pattullo cited the drastic marketing legislation brought down at Ottawa as justification for the provincial measure. "If ever there was a clear exemplification of the need for such powers as are contained in the Special Powers Act then it is this measure now before the House of Commons," said the Premier.

May Bonus Industry To Fight Eastern Firms

From Our Own Correspondent

VANCOUVER.—Under provisions of the drastic Special Powers Act, passed by the British Columbia legislature, certain industries such as canning may be bonused by the government so they may compete on favorable terms with eastern Canadian concerns operating with lower wage scales.

Intimation of such action was given during a discussion of the provincial minimum wage laws.

Hon. George S. Pearson, Minister of Labor, said that he was sympathetic to bonusing of industries, although he would not commit the government to such a policy.

The Nation's Business

(Continued from page 1)

smaller powers, to define objectives a little better, and make certain of success in the smaller field.

* * *

Political Propaganda Franked at Ottawa

APART from other considerations, the present position of the treasury would justify a reconsideration of the privilege extended to all members of Parliament to "frank" mail.

At the moment, the Liberal members are open to criticism in regard to "franking." Thousands of copies of "The Canadian Liberal Monthly" which is edited and published by the National Liberal Association are being circulated under the personal franks of Liberal members. During the heat of the Beauharnois scandal Mr. Mackenzie King was eloquent in his desire for a national association completely divorced from the parliamentary wing of the party. The association was duly organized, under Hon. Vincent Massey, but the association is functioning more or less through the "franks" of Liberal members of Parliament.

It is not suggested that there is anything unusual or irregular in the circulation of party propaganda under members' franks. The Liberal's action just happens to be the most prominent example at the moment. The Conservative party circulates propaganda in the same way. The government group, however, has not yet begun to issue propaganda in vast quantities — there is as yet no strictly party publication — although no doubt this will be done in the course of time.

Not long ago a prominent C. C. F. member used the franking privilege to send out letters asking people to subscribe to a publication operated as a business venture.

* * *

THE position with respect to the use of franks is well known. It is a privilege extended to members of Parliament by the Post Office Act, and the Postmaster General is supposed to guard the public interest by preventing abuses of it.

Originally, the use of the frank was practically unlimited. Members could send anything through the mails—provided the restrictions as to size and weight were not violated. During the War, however, some of the more obvious abuses were restricted. It had become customary for civil servants to get members to frank their mail. This was stopped to a great extent, and it was further decreed that nothing of commercial value could be "franked."

For the past 15 years, therefore, the privilege has extended only to reading matter. But even this convenience, to use a mild word, might now be reconsidered. The rapid expansion of printed matter as a political weapon has greatly altered the position. In 1930, for example, the Conservative organization flooded the country with printed propaganda. Literally tons of reading matter was mailed, under the frank of one or more of the members. The volume was so great that the party was invited to take up quarters close to the Post Office Department and avoid the flooding of the Parliamentary Post Office whose staff was unable to handle the business.

And just as the Conservative party in 1930 built up a vast mailing list, so is the Liberal party now rapidly extending an already long mailing list.

* * *

THE real justification of the franking privilege was to enable members to send copies of their speeches in Parliament to the electors who sent them there. To this end, the Printing Bureau, on request, will print hundreds of extra copies of a single speech. These are delivered to the member for the express purpose of mailing.

From the free use of the mails for speeches to the franking of propaganda turned out by writers especially engaged for this work, is, perhaps, only a short step—but it is a costly one so far as the taxpayer is concerned. When members' indemnities were increased the purpose was to enable our politicians to pay their way and the cost of disseminating political literature is one of the expenses which they might well assume.

Mr. Fullerton on Amalgamation

FURTHER economies in railway operations in this country are as possible under a policy of cooperation as under a policy of amalgamation. This is the opinion held by the newly created board of trustees of the Canadian National Railways as set forth in a message to the employees by the Hon. C. P. Fullerton, the chairman. He says that if the two railways are prepared whole-heartedly to join in the co-operation directed by Parliament the savings will be approximately as great as they would be under amalgamation.

This is the first public pronouncement by the trustees since taking over office, and is of more than ordinary importance. It was not to be expected that they would take any other view. The act, implementing the Duff report, lays down the policies to be followed by the board. In voicing opposition to the idea of amalgamation, Mr. Fullerton but follows the findings of the Duff Commission. The chairman goes a step farther in his message, however, by differing from those who favor amalgamation as a means of effecting substantial savings and those who favor it for freeing the railways from political influence. He says the C.N.R. is just as free from having to consider matters from a political angle as is any railway in Canada. A significant point.

Not everyone will agree with the trustees that as large savings can be brought about by effective cooperation as through amalgamation. On the other hand no one will dispute the point that further economies involving substantial savings are possible. Mr. Fullerton's message to the employees was not designed to counteract the claims of those favoring amalgamation. It was for the purpose of strengthening the morale of the workers. For that reason his message does not enlarge upon the possible economies. To the public his announcement would have been of greater interest had he enlarged upon this point.

Over the next year or two, however, the managements of the two railways will have the opportunity of proving the sincerity of their desire for co-operation, the extent of which will prove or disprove the soundness of the policy laid down by the trustees.

In the meantime it costs the people of this country nearly $2,000,000 weekly to own and operate the government-owned system, while Government financial assistance has had to be given to the privately-owned competitor.

Confuse the Good With the Bad In Conversion Loan Recoveries

Australia's Forced Conversion a Bad Example; British Conversion Voluntary; Canada Can Refund

By HERBERT L. STEWART, Dalhousie University

An expedient increasingly popular with ministers of finance and secretaries to treasuries is that of economizing through reduction of the rate of interest on the public debt. The success with which this has been effected in some countries has led to a demand for it elsewhere and the "precedents" are being quoted with much enthusiasm. It is important, however, that they should be quoted more accurately than in recent platform eloquence, and that the very different types of loan conversion tried in different countries should not be confused.

When government bondholders are asked, or urged, at the date of maturity of their bonds, to let their money remain in the national treasury at a lower rate of interest, this is but an example of patriotic appeal. Even if it is reinforced by a half-reproachful reference to the advantage the bondholders have enjoyed during these last three years of lowered prices, even if they are officially reminded that the stable return they have been receiving is much higher in terms of "real money" (that is, in purchasing power) than the return which the state contracted to pay them, the pressure thus exerted remains well within the limits of a call to patriotism.

A dexterous finance department will no doubt add, in its publicity circulars, that for those who attach first importance to the safety of capital the proposed new rate bears much the same relation as the old one bore twenty or ten or even five years ago to the rate obtainable in an industrial venture. All this is in the very spirit of Victory Loan or Liberty Loan campaigning, when countless audiences were urged to help the country and exercise personal providence by an act in which these two purposes most fortunately coincided.

Britain and Australia

Such was the character of the appeal from the Chancellor of the Exchequer when the great British conversion loan of 1931 was promoted with such success. No holder of government securities was required to waive his claim for fulfillment of the promise the state had made to him. No bond was "called" except under conditions explicitly laid down in the contract which its owner had accepted. At the date of maturity, or legal call, every such bondholder who so desired it was repaid his principal in full, no interest payment having at any time been either omitted or reduced. Conversion into securities yielding a lower return was carried out indeed on an enormous scale, but it was a strictly voluntary act on the part of the owners.

Quite different from this procedure in Great Britain was the case of Australia. A year ago, Australians were urged by their Commonwealth Government, as a patriotic duty, to surrender their bonds for conversion into others which should bear interest 22½ per cent lower. But it was further indicated that if patriotism should prove an insufficient incentive, the bonds would be converted forcibly. No alternative of repayment of principal "on call" would be available. Holders were thus given the chance to make a virtue out of a necessity. Ninety-seven per cent chose the appearance of virtue; for the remaining three per cent, necessity operated.

A further peculiarity of the Australian case was the distinction it drew between native and foreign bondholders. Forcible conversion applied only to Australians. The government kept its pledges to the foreign investor, and the result has been a most conspicuous recovery in Commonwealth credit. The 5 per cent Australian bonds had sunk in price to 56; within nine months they were selling at 102. Even the government of New South Wales, whose policy had so contributed to produce the financial crisis, shared very soon in the profits of the restoration. New South Wales 6 per cent had dropped to 80; before long the four per cent of that state were at par.

Australia Bad Example

The action taken by Australia was, perhaps, one of the worst examples. One can readily understand the joy with which it was watched, and the minuteness with which the arguments for it were placed on file, at the headquarters of radical labor. Next time the proposal is made for a "capital levy" those arguments will be copied and adopted, just as the party of Sir Stafford Cripps in England has been hard at work reconceiving for next Labor Government those emergency powers granted under the Defence of the Realm Act. ““DORA” can minister to a new spouse!

But the case for Australia is that she had no real option. Thanks to the wild financing of successive governments, she simply could not raise the funds needful to meet her obligations, and her only possible recourse was to cut down the amount she had promised to pay. So she cut in every direction—salaries, pensions, wages, finally bond interest. Why should bondholders remain for ever immune, while all others had to suffer? No doubt when they made the bond investment they did so with a certain assurance that they would enjoy such immunity. When war-time loans came out, people were urged to buy far in excess of their immediate power to pay, borrowing from the banks (on the very advantageous terms allowed by patriotic banks for this purpose) in order to take advantage of "these most attractive long-term bonds." For, said the government salesmen, the interest rate on money is certain to fall after the war; think of the advantage you will then enjoy in possession of a twenty-year bond paying 5 per cent or 5½ per cent "with the absolute security of the government behind it."

Fall of the Absolute

But, alas for absolute securities! governments, like other concerns, have been driven into bankruptcy. Unlike other concerns, they cannot be effectively sued, but in fairness a bankrupt government must consider its obligation to bondholders side by side with other obligations (notably those for goods supplied or services rendered) according to a long agreed order of proportion and preference. The principle is one of equality of sacrifice, and no rhetorical assurances at the time when the loan was launched can be quoted against the grim necessities of the case. Always provided, of course, that the government in question is really bankrupt, and that the funds needful for meeting its loan interest could not be obtained except by inflicting upon other persons an injustice still greater than default would inflict upon the bondholders.

It is a nice calculation that is here required, in the field of comparative injustice. In a sense, indeed, the word is quite inappropriate, for it cannot be called unjust, however great the hardship, to adopt the only measures which can obviate the need for measures harder still. But the bondholders who have lost money through a government's dishonoring its own signature will not easily agree that some alternative action would have been worse.

Two Sides to the Case

The advocates of forcible conversion point out that in these years of unemployment the cost of living has come down very far, so that government bondholders have watched their own incomes steadily appreciating while both traders and their employees were becoming more and more embarrassed. Every group thus exempted from the general calamity makes the calamity more severe for the rest. Why should not those hitherto sheltered areas feel in their turn the icy blast of the depression? Moreover, what else can now be done, if the taxable capacity of a people has reached its limit? If more money is to be got for public purposes, it must come from those who still possess surplus funds. As that profound aphorist, Sam Weller, would have said: this seem a self-evident proposition.

On the other hand, if those bondholders have had of late a certain financial advantage, most of them when they lent their money to the government were deliberately forgoing, for the sake of sounder security, the chances offered in "the boom years." It seems unjust that they should not only lose in both ways, but should lose through the deliberate act of the state in whose guarantee they trusted. Declamation against them as plutocrats and parasites has a popular ring, and may be effective with the mob, but no names could be less applicable to the great bulk of those who committed their savings to what used to be called in England "the funds."

Many Small Investors

The loans were taken up by a vast number of small investors, either directly through individual subscription, or indirectly through banks and insurance companies acting on the small investor's behalf. They were taken, for example, in the war years when great fortunes were being made by persons who could afford, or thought they could afford, to speculate in steel or cotton or ships, at a time when the cost of living to those who had no more than a fixed return either from bond interest or from salary had grown desperate. They were taken again, perseveringly, by the same sort of people, during the period of financial mania in which their more adventurous friends revelled for the years just before the crash of 1929. Deaf to the voice of the financial charmer, they thriftily clung to government securities because — low though the return was, and with no hope of appreciation—these securities were understood to be secure. Is this understanding to be altered? Are government bonds to be withdrawn from the secure class, at the cost of dishonoring the country's pledge?

John Stuart Mill once remarked that it is not the part of an honest man to cast up the probable profits from an act of plunder. But it has always been held salutary to forecast its probable disappointments, and to reflect upon the very limited prosperity of ill-gotten gains. Whatever Australia may have been driven to do, as a nemesis of what she had already done, the picture of a defaulting government is still horrible to the British mind, and parallels quoted from Peru or Bolivia serve rather to exasperate than to relieve. They are taken, as George Gissing would have said, from that land of notorious profligacy known to the Englishman as "abroad."

Alternative to Shock

What has then to be considered, in countries whose public credit stands still unshaken, is the question whether there is no available alternative to the terrific shock which compulsory conversion would involve. One remembers the excitement stirred in England three years ago by the suggestion that the government might have to raid the people's Post Office Savings deposits. A hint of the possibility was enough to produce panic.

Th alternative is not, as heated propagandists contend, "just higher and higher taxation until industry has been suffocated." Nor is it to the point to urge that "One may as well try forcible conversion as take the money in another way from the same people by a special income tax." What is so deplorable in forcible conversion is (1) the breaking of a government promise, and (2) the selection of a great body of persons with very limited means for special and discriminatory hardship. It is obvious that a five, not to speak of the 5½, per cent rate of interest on bonds in Canada, for example, is now excessive, and that an appeal for voluntary conversion at a lower rate in this year, when such a huge block reaches maturity, would elicit very wide acquiescence. For the minority, sure to be very small (in part because of patriotism, in part because a 4½, or even a 4 per cent rate, with equal security is not readily obtained) the proper course is surely to honor the country's pledge and redeem the bonds at par.

Test is Necessity

Does anyone doubt that this could be done, by means of a new issue at lower rate to retire such fraction of the old issue as was not voluntarily converted? It is time, surely, to bring to the test of actual concrete proof those glib Communist reasoners who, for their own purpose, enormously exaggerate the national embarrassment. That they may promote the measures of spoilation upon a class they dislike, they persistently speak as if Canada were so drowned in public debt that only the methods tried in Australia or in Newfoundland provide a possible escape. Look at the figures of public indebtedness brought out in the report of Lord Amulree's commission for Newfoundland, or those in the statement by the Australian premiers for Australia, and the grotesqueness of the comparison will be at once apparent. All credit to governments which, when no other method was available, accepted even the most regrettable necessity to straighten again the national finances. But such is no example to be followed where a like constraint is not present.

MUNICIPAL ACT CHANGE HELPS BONDHOLDERS

(Continued from page 1)

sale of registered lands, first, to the banks. This established for them a preference which they had never had, and is a new proposal altogether in respect of municipal legislation in Canada. It was opposed by holders of debentures generally. It would appear, however, that some impression had been made upon the provincial government as to the banks' claims, otherwise such a clause would not have been introduced into the House by a member of the government. However, it would appear that, upon the facts being fully placed before the government, they receded from the position taken. There remains, however, some curiosity as to what influence was brought to bear in order to bring about such action in the form of definite legislation. Certainly, had it been adopted, the long term credit of Ontario municipalities would have been seriously affected, according to close students of municipal affairs.

Power of the Ontario Municipal Board to appoint an inspector to supervise charge of the affairs of a municipality in default of principal only was extended in the revised bill to allow the board to appoint such an inspector prior to a default of principal, if it is satisfied that the municipality may fail to pay principal when due. And this section is made retroactive, so that the board at its discretion may appoint inspectors for various municipalities now being controlled by boards of supervisors.

ACCUMULATING CANADIAN CASH TO BUY LIQUOR

(Continued from page 1)

fifth and imported gin from $3.30 to $3.60 a fifth.

One of the principal avenues by which Canadian stocks of American type liquor will get into United States channels is shown in connection with the listing application of National Distillers Products, Inc., to the New York Stock Exchange for 138,000 additional shares of stock. It is stated therein that the company purchased for cash 50 per cent of the stock of National Canadian Distillers, Inc., a Delaware Corporation formed on January 10 for the purpose of purchasing American type Canadian whiskies for importation into and resale in the United States. The new company owns all the stock, consisting of 200 shares of a second new company, known as National Canadian Distributors, Inc., a New York corporation, formed January 17, for the purpose of distributing the whiskies. Canadian Industrial Alcohol's American type Bourbon and rye whiskies will be marketed through this agency. Other large Canadian companies have their own avenues.

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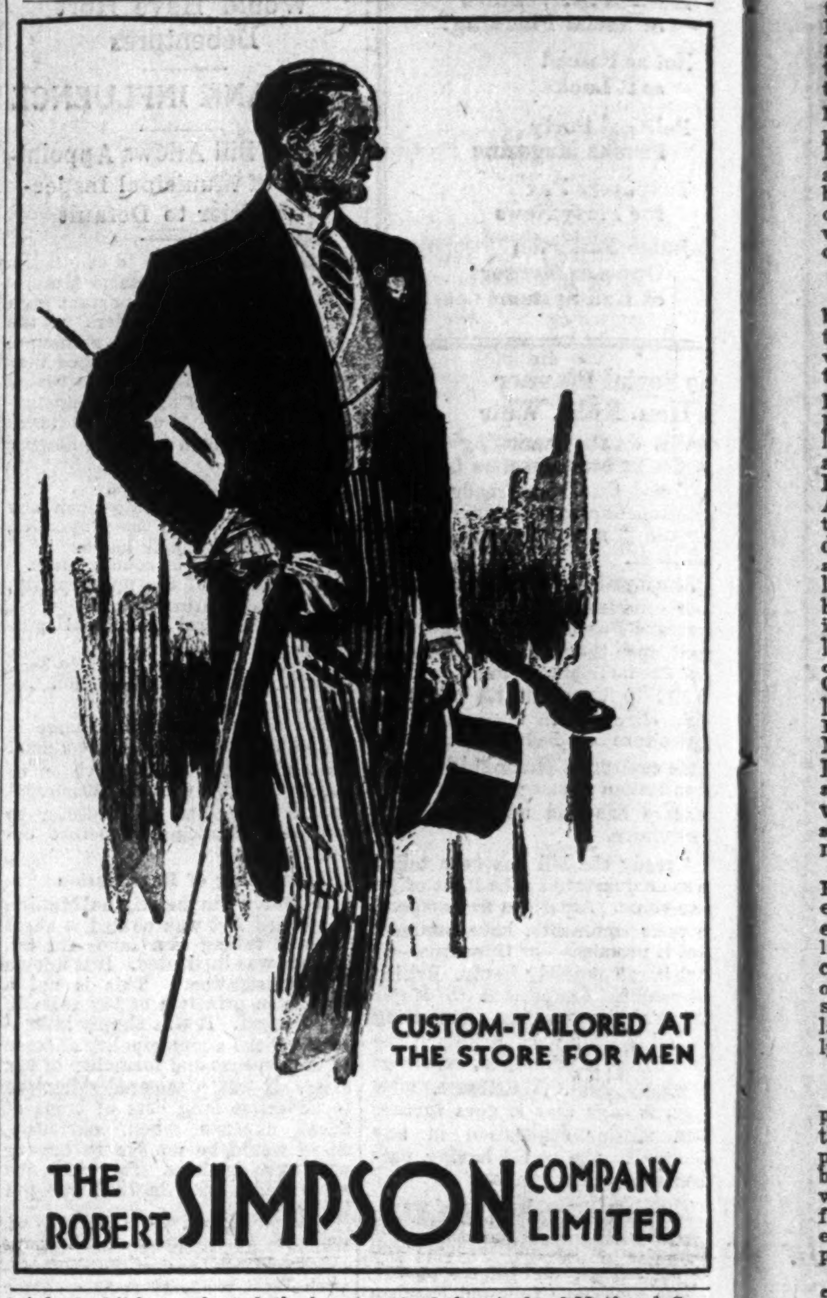
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World Famous Monetary Heretic to Expound Theories in Canada

Major Clifford Hugh Douglas to Get Hearing for A Plus B Theorem in Alberta

Major Clifford Hugh Douglas, the A plus B man, knight errant of "social credit," is now in Canada to expound his monetary heresies.

He has been labelled the best known of the world's monetary heretics, in the sense that he departs from even the things upon which nearly all economists agree.

Major Douglas has a considerable following in Canada. So considerable, in fact, that the Alberta Government is going to examine his "social credit" proposals, although under the B.N.A. Act the province probably cannot do the things Douglas suggests. At one time, it was suggested that J. M. Keynes be invited to Alberta to give his views on the Douglas teaching on production, consumption and credit. For the economic-minded this would have probably provided a better show than J. P. Morgan with a midget on his knee at a U. S. Senate enquiry. It might be likened to asking the Archbishop of Canterbury and a Borneo witch doctor to present their views on the doctrine of the Trinity.

At It 15 Years

For 15 years Major Douglas has been explaining his theories. In that time, he has succeeded in convincing a few disciples, certain of the protestant clergy, and unimportant sections of the British press. In Great Britain, the intellectuals of Socialist, Communist and Fascist groups have opposed Douglasism on the ground that the A plus B man's analysis is defective. And both radical and orthodox economists, whatever their aims, can see no value in the Douglas system. In view of all that has been said and written in opposition, it is surprising that Major Douglas himself has apparently not recognized his own errors. H. T. N. Gaitskell, who analyzes the Douglas theory in G. D. H. Cole's "What Everybody Wants to Know About Money," thinks the popularity of Douglasism is due to its ambiguity and complexity; and the present vogue for it is attributed to depression and the consequent increase of monetary cranks.

Major C. H. Douglas, M. I. Mech. E., M.I.E.E., is a retired Scottish engineer. He is described as an easy-going Scot, who doesn't take life seriously even though he is accepted by admirers as the prophet of a new era. Very sure of himself and his theories, Major Douglas is most approachable, especially on the subject of "social credit."

Preaches "Deficiency"

A continuous "deficiency" of purchasing power is the heart of the Douglas teaching. In his exposition, Major Douglas castigates bankers and the financial system, which may be one of the reasons for his popularity in parts of western Canada, where bankers are unpopular at present. Douglas says:

> "You have a production system that can produce all the wealth you need. But the financial system says you must curtail, lower your standard of living. What I say is make the financial system reflect the facts."

Where economists and Douglas disagree is in fundamental principles. Whereas economists grant that deflation of bank credit may cause temporary shortages of purchasing power, Douglas claims that there is a permanent deficiency. And economists carry the difference further by citing that the financial system sometimes creates excess purchasing power, which according to the Douglas analysis is almost impossible under present financial systems.

A Plus B Theorem

Major Douglas starts his analysis with a factory which he views as a distributor of purchasing power in the form of wages, salaries and dividends, and as a creator of prices. All its payments, he divides into two groups:

Group A—All payments to individuals; wages, salaries, dividends.

Group B—All payments to other organizations, materials, banking and other external costs.

The famous A plus B theorem follows:

> "Now the rate of flow of purchasing power to individuals is represented by A, but since all payments go into prices, the rate of flow of prices cannot be less than A + B. Since A will not purchase A + B, a proportion of the product at least equivalent to B must be distributed by a form of purchasing power which is not comprised in the description grouped under A."

The Douglas explanation of this proposition visualizes a manufacturer buying goods of the value one, a B payment, and expending an amount of one on Labor, an A payment. The price put on the product is A+B=2. In successive stages of manufacture, other firms each add an A and a B payment with the following result:

Stage	Payments		Price Generated
I	A+B	=	2
II	2A+2B	=	4
III	3A+3B	=	6
IV	4A+4B	=	8

Douglas Conclusion

Therefore, says the Douglas theory, at stage four, when the processed goods are ready for sale, only four A payments are available so that there will never be enough purchasing power to buy the goods priced at eight.

A Plus B Man

MAJOR C. H. DOUGLAS

Rated by authoritative economists as the world's No. 1 monetary "heretic," who is now in western Canada to explain his theory of a permanent "deficiency" of purchasing power.

The criticism of this is that the B payments merely represent what were originally A payments made by the producers of the materials used in the four-stage process of manufacture. So that the equation, 4A+4B=8, really represents payment of four units of current purchasing power and four of purchasing power that were made in the past. Hence total purchasing power of eight is available. But, says the Douglas theory, the B half of this payment was made in the past and has been spent, and is therefore not on tap to buy the goods when they come on the market. The example given by Major Douglas to illustrate this is of a man producing linen. He is paid £1 a week for six weeks, the sole cost of producing this piece of linen. Therefore the price set on the piece is £6. Douglas acknowledges that the entire £6 has been distributed as purchasing power, but claims that since only £1 is distributed in the week in which the linen is ready for sale, only this £1 is available for the purchase of the linen.

Error Obvious

The obvious error in this is that Douglas does not allow for continuity of production, and is visualizing only one "cycle" of manufacture. Since in an industry and in the combination of all industries, production is turning over and over again, there is a continuous stream of purchasing power being created. True, the B payments have been spent before the next batch of goods is on the market. But bank credit ordinarily anticipates the new production and keeps the purchasing power up to the level of prices, economists state. Only when there is reduction of credit is there a deficiency of purchasing power. And when credit is being created faster than production, there may be an excess of purchasing power such as we had during the war.

The defect in the linen example may be explained by considering a 4-cylinder gasoline engine. Douglas is thinking of the engine as depending for its motive power on the explosion of a single cylinder. Actually there have been three explosions leading up to the one, and there will be another three before it is time for the fourth to explode again. The continuity of production keeps the purchasing power going, just as the continuity of explosions keeps the gasoline engine turning over.

Depreciation Charges

But there is charged to costs an amount for depreciation, and included in prices, says the Douglas theory, for which there is no purchasing power distributed. The funds are merely accumulated pending expenditure, it is claimed, and represent no distribution of purchasing power. This is denied because while one firm may not have used any of its depreciation, others will be using all or part of their reserves to buy equipment. In the whole industrial organization, depreciation reserves are constantly being used to replenish equipment. To the extent that gross depreciation reserves grow faster than equipment is being worn out, economists grant that there may be some truth in the Douglas claim of a "deficiency" in this respect. But it cannot be too seriously regarded, it is shown, because the investment of such reserves in the securities of concerns that are spending results in distribution of purchasing power.

Further the Douglas theory claims that investment of savings in new capital equipment, such as machinery, adds to costs and creates no purchasing power. The answer of economists is that while this may increase total costs, it cuts unit costs, and, therefore, allows earners to get more for their money. So that on the same wage more can be purchased. Also expenditures on capital goods go into purchasing power to the workers in the industries producing the capital equipment.

Economists Answers

Thus, the answers of the economists to the Douglas claims are; that there is no deficiency in purchasing power through payments in an industry for materials; that the continuity of production, financed by bank loans, keeps purchasing power equal to production, except when a temporary credit deflation or inflation develops; that continuity of expenditure of depreciation charges, and investment of reserves, result in distribution of purchasing power; and that investment by industries in capital goods lowers unit costs, thus effecting a real increase in purchasing power even if wages are not raised.

Although it has been ably demonstrated by economists that there is no such deficiency as Douglas suggests, examination of the Douglas cure is valuable in that it demonstrates further shortcomings in the Douglas analysis.

Proposed "Cure"

Major Douglas proposes to rectify his "deficiency" by having the government on a certain day decree that prices are to be reduced by a certain proportion. Suppose prices to have been out 25 per cent. the government reimburses the sellers by issuing new money to them for this amount, such subsidies to cease if prices rise. Consumers would have an extra 25 units to spend, if prices change only to the extent of the subsidy. Prices may rise, but this would bring an end to the subsidies. If prices do not rise, the extra money has either been hoarded or spent on an increased supply of goods. Gaitskell explains that hoarding would result in no change in the original position; but expenditure on more goods would result in increased revenue for producers, influencing them to spend more and ultimately bringing the rise of prices that would cut off the subsidies. From this it is evident that the Douglas cure is inflationary, and would probably lead to boom conditions, just as creation of excess bank credit brings booms. But, says Gaitskell, there seems to be no reason why elimination of subsidies would not bring collapse, just as does credit deflation.

Measuring "Deficiency"

It would appear reasonable to suppose that Douglas would seek to restore the "deficiency" claimed in the A+B formula. This would indicate that the proportion by which prices are to be reduced should be A/A+B. But not so. Douglas suggests prices be reduced in the ratio:

$$\frac{\text{national consumption}}{\text{national production}}$$

This ratio would be 1 minus that fraction of national production which is saved and invested. Hence the fraction by which Douglas proposes to reduce prices could only agree with his original "deficiency" formula, if the "deficiency" is exactly the same as the rate of new savings. This meaning is not given to the A+B formula at all. And Douglas himself suggests prices might be reduced as much as 60 per cent, and others have suggested much larger reductions. This, of course, would far exceed the calculated net savings of a nation even in boom times.

Working of Scheme

The relationship of the price reduction to savings would also indicate that prices would be reduced under this scheme only in good times; for in depressions savings and investment may sink to nothing, when the entire national production is consumed, so that the Douglas fraction would become one, and no price reduction would be necessary. Critics of the scheme see in this a tendency to accentuate booms and depressions, although it may be intended to eliminate them.

In the Douglas system, there is found a "deficiency" of purchasing power that is said by all authoritative economists to be non-existent. So that the discrepancies in the cure are considered important only as revealing fallacies in the analysis. The fundamental error in the Douglas analysis is in its interpretation of national income. There is no shortage of purchasing power in the Douglas sense, say economists, because the product of industry and the purchasing power of the community are the same thing viewed from different sides. Every cost to the producer is part of someone else's income. The conclusion of economists is that there are enough things wrong with our economic system without seeking out non-existent troubles.

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OFFICE BUILDING TAXES INCREASE, EARNINGS DROP

Slump in Income Over Continent Still Continues—Competition Keen

Frank F. Slosson, president of the National Association of Building Owners and Managers which will hold its 27th annual convention in Toronto from June 18 to 21 states that taxes in 1933 took 22.4 cents of each dollar of income of office buildings on this continent as compared with 17½ cents in 1929.

"The 1933 full assessed value of the total office building area of 359,000,000 square feet was $5,925,000,000 which represents an average investment of $16.50 per square foot, or an investment of approximately $10 for each dollar of gross income," he continued. "In 1929 the income of these buildings was $807,000,000, in 1933 it was $590,000,000, a decline of 27.1 per cent. Operating expenses, not including taxes, were $341,500,000 in 1929 and $283,000,000 in 1933, a decline of 18.2 per cent, or only about two-thirds as much as the decline in income. Taxes paid in 1929 were $141,500,000, while in 1933 they were $132,250,000, a decline of only 6½ per cent. Whereas in 1929 taxes consumed 17½c of each dollar of income, in 1933 they took 22.4c of each dollar's income.

"The slump in income represented by the 1933 figures is not the bottom that will be reached by this industry. Income is still decreasing, due partly to continued failure of tenants and their constant demands for rent reductions and partly to the demoralized conditions of competition in the industry itself.

"However, the competition from new buildings, plus the battle for increased occupancy among the older buildings, has instituted a programme of modernization, which should have a most healthy effect on those industries catering to our requirements.

Obituary

James Mackintosh Bell, M.A., Ph.d., LL.D., O.B.E., outstanding Canadian geologist, explorer and writer, died at his home, "Old Burnside," in Almonte, Ont., from pneumonia, in his fifty-seventh year.

Born at St. Andrews, Que., on September 23, 1877, Dr. Bell attended Queen's University, graduating in 1899. He took post-graduate work at Harvard in 1904 and there obtained his M.A. and Ph.D. degrees.

From 1899 to 1900 he was with the Geological Survey of Canada, and during this period explored the Barren Lands and the Great Bear Lake area, commenting in the government records on the mineralization and the presence of cobalt bloom at Echo Bay. In 1901-2 he was with the Lake Superior Corp. and in 1903-4 was with the Ontario Department of Mines. In 1905 he went to New Zealand and for six years he was director of the Geological Survey of that country. Since that time he has been identified with many Canadian mining operations, notably bringing of the Keeley mine into profitable production.

During the world war he served with the 73rd (Royal Highlanders) Battalion, retiring as major. From 1917 to 1919 he was with the Imperial military intelligence forces in Russia. For his services in this branch he was rewarded with the Order of the British Empire.

Since the Great War he has spent much time in Russia in the capacity of a consulting engineer and geologist.

His contributions to literature include, "Tales of the World's Red Children," "The Wilds of Maoriland," "Sidelights of the Siberian Campaign" and "Far Places."

List Main Factors In 1934 Advances Canadian Bonds

A combination of factors in world economic recovery has been responsible for this year's sharp advances in prices for Canadian government and municipal bonds, according to a summary of the causes of this movement by Harrison & Co., Toronto.

The summary of causes follows:

"Returning confidence has lessened the necessity for high liquidity among financial institutions, releasing large amounts for investment.

"Business has improved so substantially that frozen assets are thawing out and being restored to their normal place in commerce.

"The London financial market has followed an 'Empire first' policy and Canadian high grade securities have been going to London because the yield is so attractive compared to that obtainable from British government securities.

"The stabilization measures in the United States have strengthened the New York bond market, with the result that Canadian bonds are being absorbed there, thus reducing the supply in Canada.

"On balance, Canada had a favorable balance of about $60,000,000 in international payments in 1933.

"Decreased public borrowing by provincial and municipal authorities, due to efforts to balance budgets, and almost complete absence of capital expenditures.

"Lack of commercial demand for money due to the hesitancy of private capital to embark into new enterprises. The old established industries are in most cases already well financed and many have large investments in high grade bonds.

"The improvement in business has changed losses into profits for most companies, and improved the taxing powers of governments. Government and high grade municipal bonds are readily saleable and produce a regular income. Canada has achieved a good name in the money markets of the world."

POWER TO BRIDGE ST. LAWRENCE R. ASKED AT OTTAWA

International Structure from Ivy Lea, Ont., to Collins Landing, N.Y.

One of the bills introduced in the House of Commons at Ottawa in the present session asks for power to construct an international bridge across the St. Lawrence River from Ivy Lea, on the Ontario side, to Collins Landing, N.Y., on the United States side. This is Bill No. 27, officially described as an "act to incorporate Thousand Islands Bridge Company."

Would Establish Island Park

If power is granted the capital stock will consist of 50,000 shares having a par value of $10 each. The bridge itself is referred to in the bill as "The Canadian Channel Bridge," and would be a toll bridge for all except railway and electric cars from Ivy Lea, in the townships of Leeds and Lansdowne, Ont., across Georgina Island and Constance Island, to a point on Hill Island. With the approval of the township municipality made necessary, it asks also power to build roads or driveways upon, along and across Hill Island from the outlet of the bridge to the shore of the river at a point known as "The Rift" and to lay out and maintain on Hill Island a park or recreation grounds and public gardens. It desires power as well to construct, maintain and operate an international bridge across that part of the St. Lawrence River between Hill Island in Ontario and Wellesley Island in the state of New York. The object is to connect the bridges with similar works in the state of New York.

Before commencement it would also be necessary to secure an Act of the Senate and Legislative Assembly of the State of New York approving the bridging of the river between Hill and Wellesley Islands.

The company may issue bonds, debentures or other securities to an amount not exceeding $2,000,000.

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Factors Contributing to Bankruptcy.
The Douglas Theory of Credit.
Annual Statements of Life Insurance Companies.
The Bank of Canada.
Summary of Court Decisions.

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C. G. M. M. FLEET SHOWING BETTER ON 1933 BUSINESS

Sale of Twelve Vessels Reflected in Balance Sheet

From Our Own Correspondent

MONTREAL—A substantial improvement in operating net income and the disposal of twelve vessels during the year, are the highlights of the 1933 statement of the Canadian Government Merchant Marine.

The operating deficit for 1933 amounted to only $17,938 compared with a deficit of $326,613 in the previous year. After providing for interest on government notes and advances and depreciation on vessels, the income account shows a book deficit for the year of $2,559,896, as against $4,197,349 in 1932.

Comparative details of the income account for 1933 and 1932 follow:

	1933	1932
	$	$
Oper. revenue:		
Vessels—Closed voyages	2,037,259	2,224,593
Subsidies	......	30,000
Other revenue	192,638	7,162
Total revenue	2,229,897	2,261,755
Oper. expenses:		
Vessels—Closed voyages	2,150,104	2,433,824
Vessels—Lay up	34,633	65,881
Management & office salaries	45,488	66,639
Rent & taxes	3,741	4,662
Office supp. & exps.	13,498	19,213
Advertising	3,208	5,123
Interest	2,837	6,473
Total expenses	2,247,835	2,588,368
Operating deficit	17,938	326,613
Other charges:		
Int. on Govt. notes & advances	1,753,905	2,568,778
Deprec. on vessels	788,053	1,301,958
Net income deficit	2,559,896	4,197,349

At the end of 1933 the consolidated balance sheet of Canadian Government Merchant Marine showed assets totalling $23,763,957 compared with $38,797,220 in the previous year.

The amount of capital stock outstanding was lessened by 1,100 shares, decreasing the book value of the issued capital stock from $221,700 to $111,700.

Sell Twelve Vessels

Marked changes among liabilities and assets, which will be detailed later, resulted from the sale of twelve vessels during the year at prices ranging from 66 cents to $4.20 per dead-weight ton. While the proceeds of these sales amounted to only $185,927, balance sheet changes arising out of the cancellation of interest and depreciation accrued on vessels sold amounted to $14,833,333.

Accordingly the Dominion of Canada account, covering notes payable secured by mortgages on vessels, shows a decline from $32,577,844 to $19,652,473.

Advances made by the Dominion of Canada on working capital and deficits declined from $13,818,421 to $11,486,637. This is due to an appropriation of $2,000,000 from the insurance reserve to reduce the indebtedness to the Dominion Government.

Book Acounts Change

The unpaid accrued interest of the Dominion of Canada account dropped from $26,712,024 to $19,799,187, this being due to the cancellation of certain book charges arising out of the sale of the vessels.

At the same time the accrued depreciation on vessels has been written down from $15,444,193 to $10,045,653.

The total write-off in the same year amounted to $15,853,333, which, after taking into consideration the loss on operations in 1933, brought the profit and loss account deficit down from $55,477,485 to $40,189,154.

Property Account Lower

The principal change among the assets is a decline in the property account from $32,633,805 to $19,776,002.

There are no particular changes among the current assets, while advances to the Canadian National West Indies Steamships stand on the books at $334,743.

The insurance reserve has been reduced from $3,930,140 to $2,021,945. The discount on capital stock has been made to balance with the issued capital stock, namely, $110,000.

The fleet of the Canadian Government Merchant Marine, according to the operating statement of the president, S. J. Hungerford, steamed 529,627 miles during 1933. The fleet's dead-weight tonnage at the end of 1933 totalled 96,987 compared with 178,414 in 1932.

Arbitrate Property Value Of Trinidad Electric Co.

From Our Own Correspondent

MONTREAL.—After much dispute, the price to be paid by the municipality of Port of Spain to the Trinidad Electric Co. for its plant and undertaking will be decided by arbitration.

The municipality has authority from the Privy Council to take over, but the transfer has been held up by a price of $3,000,000 fixed by the Canadian-owned company, most of the shareholders of which reside in Nova Scotia.

The municipality refused to pay that much and offered $2,000,000 but the company turned down the offer and asked for an arbitration board.

Exchange Lists $1,000,000 Montreal Power Debentures

From Our Own Correspondent

MONTREAL.—Montreal Stock Exchange announce the listing of an additional $1,000,000 of Montreal Light Heat and Power 3 per cent convertible debentures, bringing the total of bonds listed to $27,000,000.

As at March 20, 1934, Montreal Power had outstanding $39,796,500 of 5 per cent first refunding collateral trust bonds; $27,000,000 of 3 per cent convertible debentures; and 4,492,042 shares of no par value common stock.

Telephone Usage Fell Away in 1933

From Our Own Correspondent

MONTREAL. — Telephone installations in Canada declined 76,883 during the past twelve months. At the end of 1933 installations totalled 1,202,682 compared with 1,279,505 at the close of the previous year. On the basis of population, Canada had 11.1 telephones per hundred of population in 1933, as against 12.09 for 1932.

Saskatchewan was the only province in the Dominion to maintain its position last year. All other areas reported declines, the greatest percentage loss being in Manitoba, where withdrawals in 1933 were approximately 14 per cent of the number of telephones installed at the end of 1932.

C. N. WEST INDIES FLEET'S DEFICIT GREATER IN 1933

Competition Affects Volume of Traffic Available to Company

From Our Own Correspondent

MONTREAL.—Canadian National (West Indies Steamships reports an operating deficit in 1933 of $497,997 compared with a deficit of $283,760 in 1932.

While there was a slight improvement in the latter part of the year, the results of operations reflected the general depression which prevailed in 1933. The falling off in sugar tonnage and banana shipments alone accounted for the decline of approximately 40,000 tons of freight. The passenger trade was highly competitive during the year, a number of steamship lines placing the larger passenger vessels on short cruises in West Indies waters. On the Western service, however, the company maintained its position.

Subsidy Payment Helps

A favorable factor affecting the operating income during 1933 was an increase of $54,860 subsidy revenue brought about by an increased value of sterling, in which currency these subsidies are paid.

In the following comparative income account it will be noted that after payment of interest on bonds held by the public, the Canadian National (West Indies) Steamships and subsidiary companies had a cash deficit for the year of $967,997. This compares with $753,615 in 1932.

	1933	1932
Operating Revenue:	$	$
Vessels—freight	1,950,238	2,384,240
Vessels—Pass.	772,611	749,665
Subsidies	227,674	172,814
Other revenue	6,451	16,358
Total revenue	2,956,974	3,323,077
Operating Expenses:		
Vessels—		
Closed Voyages	3,241,171	3,404,324
Lay up	4,486	797
Management and office salaries	76,940	67,949
Rent and taxes	5,612	4,661
Office supplies and expenses	16,997	17,571
Advertising	55,396	54,657
Int. & exchange	54,369	56,834
Total expenses	3,454,972	3,606,793
Operating deficit	497,997	283,715
Interest on bonds held by public	470,000	470,000
	967,997	753,715
Other Charges:		
Amort. of discount	3,095	3,094
Int. due govmt.	253,014	214,943
Deprec. on vessels	319,967	321,262
Net income deficit	1,544,073	1,293,014

At the end of 1933, the consolidated balance sheet for the Canadian National Steamships showed assets totalling $11,735,992. This compares with $11,535,580 on December 31, 1933.

No change has taken place in the capital stock or funded debt, while the Dominion of Canada account shows an increase due to advances.

There is also an amount of $334,743 owing to the Canadian Government Merchant Marine.

The only change of more than passing interest among the assets is an increase in insurance fund from $703,486 to $907,271. The value of investments is carried on the books at the same figure as in 1932, namely, $10,655,567.

Railway Earnings

Canadian Pacific Railway

February—	1934	1933	Inc.
	$	$	$
Gross	8,570,515	7,096,887	1,473,627
*Exp.	7,751,994	7,000,276	751,717
Net	818,520	96,611	721,909
	1934	1933	Inc.
Two Months—	$	$	$
Gross	17,540,850	14,772,548	2,768,301
Exp.	15,833,341	14,352,565	1,480,775
Net	1,707,509	419,983	1,287,526

* Including pensions.

SIN-MAC LINES INCOME IN 1933 ON LOWER BASIS

Bondholders' Committee to Carry on for Another Season

From Our Own Correspondent

MONTREAL—With curtailment of activities in the shipping industry on the Great Lakes even more severe in 1933 than was the case in 1932, the financial report of Sin-Mac Lines for the last year shows an operating profit of only $26,894 compared with $63,190 in the previous year.

The statement for 1933, sent out by the Bondholders' Protective Committee, states that the company is entering the 1934 season with an improved liquid position and the committee feels justified in carrying on operations for another period.

Carry Debit Balance

Comparative figures on the profit and loss accounts for the past two years follow:

	1933	1932
	$	$
Oper. profit	26,894	63,190
Less:		
Deprec.	178,522	186,543
Bad debts	727	2,584
Inv. dep. res.	......	10,259
Committee exp.	5,710	4,699
Liquid. exp.	7	510
Tran. to ins. res.	......	37,500
Net profit	*158,072	*178,905
Prev. debit	†648,858	‡460,428
Balance	*806,930	*639,338
Assets sale loss	40,343	37,411
Bal. at debit	847,273	676,744

*Deficit.

†After deduction of $37,500, being insurance reserve set up in 1932 and now reversed, and other adjustments.

‡ After adjustments.

Working Capital Position

	1933	1932
	$	$
Curr. assets	259,674	259,723
Curr. liabs.	58,917	66,191
Working capital	200,756	193,531

Bond Interest Accrued

At the end of 1933 Sin Mac Lines' balance sheet showed assets totalling $2,497,877 compared with $2,540,501 in 1932.

No change has taken place in the outstanding funded debt, which stands on the books at $1,374,000. Bond interest due and accrued amounted to $61,830, but as pointed out in the report, no provision has been made for interest accruing on the bonds during 1932 and 1933. The various reserves are nominal, while the capital stock issued at the end of 1933 is the same as reported in 1932.

Cash Position Changes

Several changes are noted among the assets of the company. Cash and call loans reported in 1932 totalled $49,332, while the 1933 statement shows call loans liquidated and cash on hand amounting to $4,300 and cash deposited with the trustees totalling $50,000.

Accounts receivable are slightly higher at $151,182, while uncompleted work is estimated at $5,000. Prepaid expenses have been reduced somewhat, and total $5,845.

Property account, representing investments in steamers, etc., total $1,388,994 after deduction of $863,033 in the depreciation reserve. This compares with $1,596,741 at the end of 1932.

The profit and loss account deficit balance now stands at $847,267, as against $676,745 in 1932.

NAT. TELEPHONE CLASS "A" STOCK PUT ON MARKET

Holding Company's Security Offered at Discount in Canada

From Our Own Correspondent

MONTREAL—W. C. Pitfield and Co. are making a public offering of 70,000 shares of Class A common stock of National Telephone and Telegraph Corp.

This company was incorporated in 1926 and now owns 43,819 ordinary shares, or over 97 per cent of all the outstanding ordinary stock, of British Columbia Telephone Co., the second-largest privately-owned telephone operating company in Canada. The company also owns all of the capital stock of Point Roberts and Galt Telephone Co. and Dominion Directory Co., and, through a holding company, owns the majority of the shares of the Telephone Investment Corp.

Details of Issue

Particulars of the issue follow:

70,000 Shares
Nat. Telephone & Telegraph Corp.
Class A Common Stock
6 Per Cent

General: Par value $10; dividends non-cumulative and payable in Canadian funds only; participates with B stock in surplus earnings.

Company: Holding company for various telephone properties. Controlled by Associated Telephone and Telegraph Co.

Purpose of Issue: Proceeds will be used to acquire all of the capital stocks of Chilliwack Telephones Ltd., Kootenay Telephone Co., Mission Telephone Co., North-West Telephone Co., and for other corporate purposes.

Assets: Consolidated balance sheet as at Dec. 31 showed current assets of $3,207,889 as against combined current liabilities of $668,057, or net current assets of $2,539,832.

Earnings: Average annual net earnings for past three years were $346,814, or over 8 times dividend requirements on Class A stock. For year ended Dec. 31, 1933, net earnings were $296,184.

Offer: W. C. Pitfield and Co. at $9 a share, to yield over 6.65 per cent.

Nat. Biscuit & Confection Earns All Fixed Charges

National Biscuit & Confection Co., Vancouver, had net operating profit of $20,693 in 1933; sufficient to meet bond interest of $10,400 sinking fund provision of $5,000, depreciation and income tax and leave $15 to be added to surplus. Taxes, it is pointed out, have increased from $5,876 in 1931 to $32,773 in 1933, exclusive of income taxes.

At December 31, 1933, the current assets totalled $76,006 of which $1,615 is in cash, $5,500 is in surrender value of life insurance; $47,299 in stocks on hand and $21,592 in accounts receivable. Current liabilities total $57,509 of which $25,200 is a bank loan and $28,609 is accounts payable.

Buildings, plant and equipment are valued at $250,685 after deducting depreciation reserve of $90,201. Real estate is carried at cost of $14,546. There is outstanding $160,000 of 6½ per cent first mortgage bonds, less $22,000 of bonds in the sinking fund, held by the trustee. Share capital consists of 589 preference shares of $100 par value and 250 ordinary shares of $100 par value. Surplus is $15,370.

CANADIAN PACIFIC EARNINGS GREATER DURING FEBRUARY

Operating Income Trend More Encouraging This Year

From Our Own Correspondent

MONTREAL—As was to be expected from the weekly returns, both gross and net earnings of Canadian Pacific Railway during last February showed a marked expansion over that reported for the same month in 1933.

Gross operating revenues of the company during the month amounted to $8,570,515, an increase of $1,473,627 over the same month last year. Operating expenses were up $751,717, but the net income of $818,520 was $721,909 greater than in February last year.

The marked improvement in February is reflected in the cumulative returns for the first two months of the current year in comparison with that reported for the same period in 1933. Gross revenue amounted to $17,540,850 compared with $14,772,548 in the first two months of last year. Part of this gain was offset by an increase in operating expenses, but net income at $1,707,509 was $1,287,526 greater than a year ago.

Northern Telephone Profit Higher in 1933

Northern Telephone Co. showed increase in gross and net earnings in 1933 and after fixed charges had net profit of $33,238 as compared with $28,732 in 1932. Dividends were paid at the rate of 7½ per cent and surplus was increased by $6,226 to $58,671. Serving several important mining centres in Ontario, the company was beneficially affected by increased activity in mining and shows an increase of 417 telephones in use bringing the number up to 5,905.

A permanent circuit has been installed between Noranda and Beatty Gold Mines and a circuit between Amos and Senneterre has been leased from the Canadian National Railways. Fixed assets, valued at $842,001, show an increase of $38,094. Current assets are down to $28,580 from $33,285 while current liabilities have been reduced to $25,481 from $36,844. There is outstanding $158,000 of bonds and $360,170 of stock. Depreciation reserve is up to $218,592 from $174,986.

Income and surplus account is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1933	1932
	$	$
Gross earnings	214,488	201,895
Less: Oper. & main exp., taxes, etc.	122,129	116,821
Net earnings	92,359	85,074
Less: Deprec.	43,606	41,098
Bond interest	9,480	9,291
Other interest	2,096	3,175
Income tax	3,939	2,778
Net profit	33,238	28,732
Less: Dividends	27,012	23,163
Surplus for year	6,226	5,569
Add: Prev. surplus	52,445	46,877
Balance forward	58,671	52,445

DOM. ENGINEERING PROFITS FOR 1933 ON LOWER SCALE

Improvement Noted During Closing Months of Year

From Our Own Correspondent

MONTREAL — A moderate decline in earnings and a maintenance of working capital, are features of the financial statement of Dominion Engineering Works for the past year, in comparison with that reported for 1932.

New business entered during the year showed an improvement over the preceding year and during the latter half of 1933 there was an increasing volume of work in the company's shops, which has been reflected in the volume of employment and earnings.

Operating Profit Lower

Consolidated revenue for 1933, amounted to $104,121 compared with $178,516 in 1932. After taking care of bond interest and other charges, there was a total book deficit of $88,859, as against $67,324 in 1932.

Particulars of the profit and loss account figures for the past three years compare as follows:

	1933	1932	1931
	$	$	$
*Oper. prof.	104,121	178,516	68,741
Bond int.	41,290	44,262	......
Balance	62,831	134,254	68,741
Sundry exp.	......	†11,257	......
Balance	62,831	122,997	68,741
Deprec.	120,492	155,154	50,306
Balance	‡57,661	‡32,157	18,435
Dev. & res.	31,198	35,167	18,435
Net prof.	‡88,859	‡67,324	......
Divids.	......	......	75,000
Net deficit	88,859	67,324	75,000
Prev. bal.	1,180,344	1,247,670	1,322,670
P. & L. bal.	1,091,485	1,180,344	1,247,670

* Revenue from contracts, investments and miscellaneous earnings, after providing for taxes and all other charges.

† Expenses in connection with management trust.

‡ Deficit.

Working Capital Position

	1933	1932	1931
	$	$	$
Cr. assets	2,457,500	2,600,193	3,058,505
Cr. liabs.	591,130	762,957	1,049,537
Work. cap.	1,866,370	1,837,236	2,008,968

Cash Deficit Small

The cash deficit of Dominion Engineering Works last year, as already shown in the income account, was a small one, so that the working capital position was well maintained. Assets are shown on the books at $7,147,281, compared with $7,473,969 at the close of 1932.

Current liabilities are down about $170,000 at $591,130. In addition the funded debt has been reduced from $729,500 to $672,500.

No change has taken place in the outstanding capital stock, contingent reserve, or capital surplus. The earned surplus shows a small reduction at $1,091,483.

Property account is shown among the assets at $4,153,550, a decline of approximately $120,000 from that reported at the close of 1932. Investments also show a slight reduction and are now carried on the books at $363,644. Other investments are down from $133,325 to $110,235.

Investments Are Up

Bonds and other investments held by the company increased during the year from $1,711,968 to $1,805,781. Cash on hand declined from $125,265 to $82,117, while call loans were reduced from $409,450 to $210,000. Accounts receivable and inventories do not show much change from the previous year, while other items are relatively unimportant.

New Sales Subsidiary

In his report to the shareholders, G. H. Duggan, president, had the following to say in part:

"Development work on new products has been actively continued during the year and the cost of this work has been charged to current operations.

"As the lines of machinery and apparatus manufactured by your company have become diversified and its circle of customers has become more widespread, your directors decided that your company's products would be more efficiently marketed through a subsidiary company with resident representatives in Montreal, Toronto, Winnipeg and Vancouver, who can be of assistance to customers in facilitating the handling of enquiries and orders from their respective districts. To implement this decision, Dominion Engineering Company, Limited, was incorporated with an authorized capital of $50,000."

Public Utility Earnings

Barcelona Traction

February:	1934 Pesetas	1933 Pesetas	Increase %
Gross earnings	10,569,606	10,159,867	4.03
Oper. expenses	3,455,729	3,164,733	9.19
Net earnings	7,113,877	6,995,134	1.70
Two Months Ended Feb. 28:			
Gross earnings	21,641,278	20,886,277	3.61
Oper. expenses	7,163,408	6,442,995	11.18
Net earnings	14,477,870	14,443,282	0.24

Mexico Tramways

January:	1934 $	1933 $	Decrease $
Gross earnings	207,420	244,769	37,349
Oper. & deprec. exp.	270,047	327,506	57,459
Net earnings	*62,627	*82,737	*20,110

Mexican Light & Power

January:	1934 $	1933 $	Decrease $
Gross earnings	733,243	818,868	85,625
Oper. & deprec. exp.	438,825	492,054	53,229
Net earnings	294,418	326,814	32,396

* Deficit.

Canada Northern Power

February	1934 $	1933 $	Increase $
Gross earnings	327,400	297,120	30,280
Oper. Exp.	108,579	88,627	19,952
Net earnings	218,821	208,493	10,328
Two months end. Feb. 28			
Gross earnings	667,812	604,082	63,730
Oper. exp.	204,856	177,738	27,118
Net earnings	462,956	426,344	36,612

B. C. Power Corp.

February—	1934 $	1933 $
Gross income	1,044,955	1,065,425
Oper. expenses	671,509	691,514
Net income	373,446	373,911
Eight Months Ended February	1934 $	1933 $
Gross income	8,476,687	8,734,988
Oper. expenses	5,661,314	5,978,911
Net income	2,815,373	2,756,077

High Credit Standing

Province of Quebec
4% Bonds due March 15th, 1954

The markedly high credit standing of the Province of Quebec is attributed in part to its low per capita debt and the low average rate of interest on its outstanding debenture debt.

Price: 100.50 and interest.

Descriptive list of other attractive investments will be furnished upon request.

Wood, Gundy & Company Limited
36 King St. West, Toronto — Tel. Elgin 4321
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

Bourget Twp., Que., to Pay Part 1932 and 1933 Interest

Township of Bourget, Quebec, has deposited with its bankers sufficient funds to cover coupons due September 1, 1932, and March 1, 1933, on debentures issued under by-law No. 17; and to cover coupons due December 1, 1932, and June 1, 1933, on debentures issued under by-law No. 15, it is reported.

These coupons should now be presented for payment. Creditors holding past due bonds are requested to register with E. Gauthier, LaDecharge, Que., so that cheques may be sent in payment of interest.

Sussex Ginger Ale Sales Gain 40 p.c.; Profit Small

Sussex Ginger Ale Ltd., Sussex, N.B., had a gross profit from sales of $62,995 in 1933 and a net trading profit of $1,505 which was increased by $615 of interest received and income from investments. Case shipments were 40 per cent higher than in 1932 but prices received were lower in some districts and taxes were higher.

Current assets totalled $66,921 at December 31, 1933, and current liabilities were $12,294. Included in current assets is cash of $1,578; accounts and bills receivable of $40,314; investments at $14,520 and inventories at $10,509. Current liabilities include a bank loan of $8,200. Fixed assets are carried at cost of $192,733. Reserves for depreciation and bad debts total $43,147.

The company has no funded debt. Share capital consists of $300,000 of $40 par value preferred stock and no par common shares carried at $8,452.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Beaupré, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
Espanola, Ont. Smooth Rock Falls, Ont.
Pine Falls, Man. Fort William, Ont.
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

$15,000,000
(Being part of $40,000,000 Series "A" Bonds)

Beauharnois Light, Heat and Power Company

First Mortgage Sinking Fund Bonds, 5½% Series "A"

Dated January 1, 1933. Due January 1, 1973.

Bonds of other series up to a total aggregate (including Series "A") of $75,000,000, may be issued against additional properties as provided in the Trust Deed. Principal and semi-annual interest (January 1 and July 1) payable in lawful money of Canada at the Bank of Montreal, The Royal Bank of Canada or The Canadian Bank of Commerce, Halifax, Quebec, Montreal, Toronto, Winnipeg, Regina, Calgary and Vancouver. Redeemable in whole or in part on any interest payment date at 102½ up to and including January 1, 1938; at 102 up to and including January 1, 1939; at 101½ up to and including January 1, 1940; at 101 up to and including January 1, 1941; at 100½ up to and including January 1, 1942; and thereafter at 100; in each case with accrued interest to date of redemption. Coupon bonds registerable as to principal only. Fully registered bonds in denominations of $1,000 and authorized multiples thereof.

Trustee: Montreal Trust Company.

A description of the organization and management of the Company, its water rights and franchises, power development, power contracts, its earnings (actual and estimated), and detailed description of the security for these First Mortgage Bonds, will be found in the offering circular on this issue, which is available upon request at the office of your dealer.

Messrs. Meredith, Holden, Heward & Holden, and Aimé Geoffrion, K.C., have given opinions which are referred to in the offering circular.

Messrs. Blake, Lash, Anglin & Cassels have acted and advised in connection with this offering.

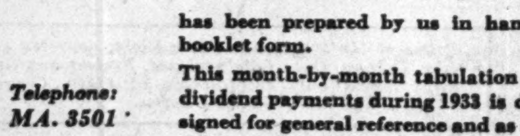
Subscriptions for these bonds will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close subscription books at any time without notice.

PRICE: 95.50 and accrued interest, to yield 5.79%.

Bonds in definitive form in denominations of $1,000 and $500 only, will, it is expected, be ready for delivery on or about April 9, 1934.

The Dominion Securities Corporation, Limited
Société de Placements du Canada
Royal Securities Corporation, Limited
McLeod, Young, Weir & Co. Limited
Bell, Gouinlock & Co. Limited
L. G. Beaubien & Cie Limitée
Matthews & Company
Harrison & Company Limited
Mead & Co. Limited
Kerrigan, MacTier & Co., Limited
Wood, Gundy & Company Limited
Collier, Norris & Henderson, Limited
McTaggart, Hannaford, Birks & Gordon, Limited
Aird, Macleod & Company
Fry, Mills, Spence & Co. Limited
Ernest Savard Limitée
Milner, Ross Securities Corporation Limited
Williams, Partridge & Angus, Limited
Midland Securities Corporation, Limited
Johnston and Ward
A. E. Ames & Co., Limited
Nesbitt, Thomson & Company, Limited
Hanson Bros. Inc.
R. A. Daly & Co. Limited
W. C. Pitfield & Company Limited
Drury & Co
Gairdner & Company, Limited
Greenshields & Co Inc
Cochran, Murray & Co., Limited
Dyment, Anderson & Co.

The DIVIDEND RECORD



of over 275 Canadian Companies has been prepared by us in handy booklet form.

This month-by-month tabulation of dividend payments during 1933 is designed for general reference and as an aid when compiling income tax returns.

Telephone: MA. 3501

A copy will be gladly forwarded upon request.

THOMSON, DEAN & CO.
Members: Montreal Stock Exchange
Montreal Curb Market
355 ST. JAMES STREET WEST, MONTREAL

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News of Investment Markets

CANADIAN BOND PRICES FIRMER AT MONTH END

Easter Brought in Best Levels of Year for Gilt-edged Liens

Renewal of the 1934 rise of gilt-edged Canadian bonds marked the start of April trading in the week ended April 3. The four-day Easter week-end left a wide gap over the month end, but resumption of active business on April 3, despite, or perhaps a cause of, a slight premium on the Canadian dollar, saw better prices.

In the abbreviated week, corporation securities backed and filled. Beauharnois 5½'s of 1973 were quoted 94 bid, 95½ asked, as the offering was made of $15,000,000 of bonds taken up by banks at the time of reorganization. This represented little change from the previous week. The same was true of most corporation bonds.

Western provincial issues were fractionally softer, although some two-payment issues improved their position slightly.

Municipals Firms

Firmness in municipal issues was attributed to sustained strength in gilt-edged bonds. Fredericton sold $30,000 of 10-year 4½'s at 99,66 to The Bank of Nova Scotia, a cost basis of about 4.54 per cent, indicative of the low rates available to better class municipal borrowers.

The Financial Post's average price on seven high-grade Canadian bonds reached 107.50, the highest point of the year. And the average yield declined to 4.074, as shown below:

Average Yield on Seven High-Grade Canadian Bonds

	%		%
Apr. 3	4.074	Mar. 26	4.107
Mar. 29	4.094	Mar. 15	4.083
Mar. 28	4.110	Feb. 28	4.270
Mar. 27	4.113	Jan. 31	4.427

Village of St. Benoit, Que., Pays Coupons to Jan. 1, '34

Village of St. Benoit-Joseph-Labre, Que., has deposited funds with bankers to meet coupons due on or prior to January 1, 1934, on bonds issued under by-law No. 1 and interest on a $500 bond due January 1, 1933, the Quebec Municipal Commission reports.

Holders of bonds due July 1, 1933, and January 1, 1934, are asked to register with G. Dionne, Amqui, Que., so that cheques may be sent covering interest, there being no coupon attached. A number of coupons that matured on January 1, May 1, July 1 and November 1, 1933, have not been presented for payment although the necessary funds are on hand, it is stated.

Crescent Creamery Co. Resumes Preferred Dividend

From Our Own Correspondent

MONTREAL.—Crescent Creamery Co., subsidiary of Eastern Dairies Ltd., has declared a dividend of $1 a share on its preferred stock. This is the first payment since April 15, 1933, when a regular quarterly disbursement of $1.75 a share was made.

No action has been taken by Acme-Farmers Dairy, another subsidiary, on the dividend on its preferred stock. Dividends were discontinued on February 10, 1933.

It is unlikely that any consideration will be given to the deferred dividend of Eastern Dairies Ltd. until Acme-Farmers Dairy stock has been placed back on a regular dividend basis.

Railway Earnings

Ten Days End. Mar. 31:	1934 $	1933 $	Increase $
C. P. R.	3,269,000	2,802,000	467,000
C. N. R.	4,878,096	4,095,969	782,127

Saint John Drydock Co. May Carry Out Refinancing

From Our Own Correspondent

MONTREAL.—Saint John Drydock and Shipbuilding Co. will shortly call in all of its outstanding funded debt, payment to be made out of the proceeds of a new issue which will carry a smaller coupon rate, according to unofficial reports.

During the post-war period the company issued nearly $4,000,000 of 5½ per cent first mortgage bonds in five series, 1919, 1921, 1922, 1923, 1924, due serially in 1954, 1956, 1957, 1958 and 1959, respectively. Both interest and principal are payable in Canadian funds, while the bonds are secured on property and by assignment of annual Dominion subsidy. The latter is sufficient to meet principal and interest of the entire issue. At the beginning of last year the aggregate amount of the bonds outstanding was $3,276,401.

Saint John Drydock is one of the companies in the Playfair-Ross group. It was incorporated in 1916 to build and operate a drydock at Saint John. This was completed in 1923. In 1928 the company commenced a structural steel business. Since then the company has been actively engaged in dredging operations and has handled several important contracts for the Saint John Harbor Commission.

HAMILTON BRIDGE OPERATING LOSS $194,478 IN 1933

Net Loss Remains at 1932 Level Though Business Down 36 p.c.

With construction activity in Canada at a low ebb in 1933, Hamilton Bridge Co. had an operating loss of $194,478 before depreciation as compared with loss of $189,586 in 1932. A net profit taken on securities sold reduced loss for the year to $182,318. No dividends were paid and the company ended the year with a profit and loss surplus of $100,642 as compared with $278,688 in 1932. Business transacted was 36 per cent under the 1932 level which, in turn, was 74 per cent under the 1931 level. James Playfair, chairman of the Board, states that directors of the company feel that there is a definite improvement in general business and that this should lead to construction work most beneficial to the company.

Working capital has been reduced to $672,025 from $859,037 but the ratio of current assets to current liabilities is up to 7.6 to 1 from 5.27 to 1. Chief change in current assets is reduction in investments to $322,418 from $588,496 while in current liabilities the bank loan has been reduced to $65,602 from $178,740. Cash is down to $17,743 from $44,135; accounts receivable are up to $201,824 from $190,977 and inventories of materials are slightly lower at $228,515. Accounts payable are up to $37,148 from $23,076. Working capital position is as follows:

	1933 $	1932 $
Curr. assets	774,775	1,060,854
Curr. liabs.	102,750	201,817
Working capital	672,025	859,037

Fixed assets remain unchanged at $3,560,331. No depreciation has been provided in the past two years. In 1933 contingent reserve was reduced to $86,337 from $103,819. There remain outstanding 21,875 shares of 6½ per cent preferred stock of $100 par value and 100,000 shares of no par common stock carried in the balance sheet at $1,895,549.

Bond Tenders

Township of East Ferris—$4,000, 6 per cent, 10-installment debentures, dated Dec. 15, 1933. L. A. St. Cyre, treas. and clerk, Bonfield, Ont.

10 a.m., Apr. 16, United Twps. of Figuery and Dalquier, P.Q.—$4,000, 6 per cent dated May 1, 1934, redeemable serially from May 1, 1935, to May 1, 1944. Treffle Bolduc, sec.-treas.

8 p.m., Apr. 18, Joliette, P.Q.—$51,900, bonds dated May 1, 1934. Camille Bonin, sec.-treas.

OFFER $15,000,000 IN BEAUHARNOIS TO YIELD 5.79 P.C.

Preliminary Institutional Offering is Reported Well Taken

Beauharnois Light, Heat and Power Co. 5½ per cent first mortgage bonds are being offered in an amount of $15,000,000 at 95½, yielding 5.79 per cent, by a large syndicate headed by Dominion Securities Corporation. The issue is part of the $24,148,000 of bonds taken up by banks in 1933, and conforms with last week's forecast in The Financial Post.

Preliminary offering to institutions prior to public sale is reported to have been well received.

Contracts with the Ontario Hydro-Electric Power Commission and Montreal Light, Heat and Power Cons., provide most of the company's present and estimated future revenue. Of 500,000 h.p. contemplated capacity in 1937, 400,000 h.p. has been contracted for by these two largest retail power distributors in Canada. Since it is estimated that the contracts will more than provide full interest charges on the Beauharnois 5½'s of 1973, the credit of the Ontario Hydro and Montreal Power is considered the most important security underlying bonds of the present issue.

Earnings Estimates

Earnings from contracts are estimated at $5,000,000 in 1937. This compares with annual fixed charges on the $40,000,000 of series A bonds of $2,200,000. Estimated earnings for 1933 were $632,000, while the actual figure was $736,535.

Further construction to bring the enterprise to capacity operation in 1937 includes additional dredging to provide increased water flow and installation of additional turbines and generators. Financing of this work to completion has been assured, it is understood. The present plant is understood to have operated satisfactorily.

Details of the issue follow:

Details of Issue

Company—Beauharnois Light, Heat & Power Co., subsidiary of Beauharnois Power Corp., which is controlled by Montreal Light, Heat & Power Cons.

Business—Development of power and wholesale distribution under contracts to Ontario Hydro, Montreal Light, Heat & Power Cons., and Montreal Cottons Ltd.

Capital—First mortgage bonds, 5½%, due 1973, $40,000,000 including this issue; second mortgage bonds $36,000,000; common stock $4,000,000; both latter pledged as security for Beauharnois Power Corp. collateral trust bonds.

Security—First mortgage on water power rights, contracts, and properties.

Sinking Fund—Starting 1942, one per cent annually of bonds outstanding, estimated sufficient to retire 30 per cent of series A bonds by maturity.

Earnings—Estimated for 1933 at $632,000, actually $736,535. Estimated for 1934, $1,607,000; 1935, $2,737,000; 1936, $3,891,000; 1937, $4,764,000; 1938, $5,000,000. Annual interest charges $2,200,000 on total series A bonds.

Contracts—Call for delivery to Ontario Hydro in 1934 of 129,000 h.p.; in 1935, 196,000 h.p.; 1936 to 1972, 250,000 h.p.; to Montreal Power, in 1934, 75,000 h.p.; 1935, 100,000 h.p.; 1936, 125,000 h.p.; 1937 to 2003, 150,000 h.p.; to Montreal Cottons Ltd., 8,000 h.p.

Contemplated Capacity — Oct. 1, 1934, 250,000 h.p.; 1935, 400,000 h.p.; 1936, 450,000 h.p.; 1938, 500,000 h.p.

Officers—John S. Norris, president; G. H. Montgomery, K.C., vice-president; R. A. C. Henry, general manager; L. C. Christie, sec.-treas.

Directors—Arthur F. White, T. A. Russell, J. H. Gundy, all of Toronto; John S. Norris, G. H. Montgomery, K.C., C. S. Bagg, Norman J. Dawes, Aimé Geoffrion, K.C., S. Godin, Jr., M. W. Wilson, all of Montreal; Hon. Lucien Moraud, K.C., Que.

Offering—$15,000,000 of an issued amount of $40,000,000 of series A 5½%, first mortgage bonds, maturing 1973. By syndicate headed by Dominion Securities Corp. at 95½ to yield 5.79%.

Dominion Store Sales Increase on Unit Basis

Sales of Dominion Stores Ltd. declined 1.76 per cent in the four weeks ended March 24 as compared with sales in the same period of 1933 but the company had 4 per cent fewer stores in operation. Sales for the period are reported at $1,528,273 as compared with 1933 figure of $1,555,614.

As in 1933, sales have increased in each period since January and the increase in March figures over those in January is practically the same despite decrease in the number of stores in operation. Sales for the first 12 weeks of 1934 total $4,382,421, 1.64 per cent lower than sales of $4,309,324 reported in the same period of 1933. Sales by four week periods in 1933 and 1934 are as follows:

Four Weeks ended:	1934 $	1933 $	Dec. %
Jan. 27	1,373,111	1,398,267	1.80
Feb. 24	1,481,037	1,501,638	1.37
Mar. 24	1,528,273	1,555,614	1.76
	4,382,421	4,309,324	1.64

Bond Sales

Fredericton

City of Fredericton has sold $30,000 of 4½ per cent debentures, due 1944, to the Bank of Nova Scotia at 99.66, a cost basis to the city of about 4.54 per cent. Bids follow:

	Bid
Bank of Nova Scotia	99.66
Isard, Robertson & Co.	99.367
J. T. Mavor & Co.	99.2056
R. A. Daly & Co. S. Douglass & Son	99.07
Wood, Gundy & Co. Eastern Securities	98.85
Irving, Brennan & Co. Johnston & Ward	98.76
Gairdner & Co.	98.521

Bond Redemptions

Bond Issues	Rate	Due	Redeem.	Price
Wm. Davies "A"	6%	1942	May 1	104
Wabasso Cotton	*6%	1947	June 1	105

Investment Notes

Significant Investors' Index Numbers

1926 — 100

No. of Securities:	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
	17	6	4	4	10	18	8	87	20	112
1929-33:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	27.3	44.0	30.5	38.6
Monthly Figures, 1934:										
January	93.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	53.5	83.8
February	114.6	13.6	77.1	153.7	73.3	123.2	148.5	123.8	58.0	88.7
Weekly Figures, 1934:										
Mar. 1	113.6	13.1	79.5	151.9	75.4	134.1	174.0	126.2	57.5	92.7
Mar. 8	114.2	13.3	78.6	151.1	76.1	134.7	178.4	129.1	57.5	93.6
Mar. 15	114.7	13.1	77.9	154.6	76.6	135.0	172.6	133.3	60.3	97.1
Mar. 22	111.7	11.9	76.5	152.7	75.6	131.0	168.1	130.1	58.8	95.1
Mar. 29	110.2	11.3	77.0	151.4	74.8	133.7	157.1	130.2	58.8	94.9

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

Bell Shares Listed

TEN thousand additional shares of the Bell Telephone Co. of Canada have been listed on the Industrial Section of the Toronto Stock Exchange, bringing the listed capital to 790,000 shares at $100 par value.

* * *

Many Companies Increase Profits

THE Toronto Stock Exchange monthly bulletins so far published indicate that of the 79 major companies of the country so far filing annual statements, 64 reported net profits aggregating $61,575,534 after all charges against $47,041,651 in the previous year, while the remaining 15 reduced their deficits to $7,119,664 against losses entailed in 1932 of $8,603,273.

Of the 64 companies showing net profits, 32 earned $29,965,655 against $21,429,881, but 23 companies reported slightly smaller earnings of $21,501,050 against $25,611,770. The remaining 9 reported deficits of $907,864 in 1932, but recovered to effect net earnings of $10,108,829 in 1933. Of the latter, International Nickel with net earnings of $9,662,583 against a deficit in the previous year of $135,344, was the outstanding example.

* * *

Less Wool and More Demand

IMPROVED conditions in Canada in sales and earnings during 1933 of woollen and knit goods manufacturers derived directly from underlying facts that world wool production in 1933 as compared with 1932 shows a decline of 10,000,000 lbs., while world needs for clothing have become more urgent. Decline of production was accompanied by an increase in consumption.

The statistical situation is indicated in the following excerpts from a recent bulletin of the Canadian Woollen and Knit Goods Manufacturers Association:

"The principal declines are in Australia, 123,000,000 lbs.; South Africa, 52,000,000 lbs., and New Zealand, 22,000,000 lbs. Increases in any of the 26 wool-growing countries were negligible, the largest increase being 10,000,000 lbs. in Uruguay.

"While production has decreased, consumption figures have increased. As indicating this the employment figures in the wool textile trade in Great Britain have been reduced as follows in per cent: 1931, 28.3 per cent; 1932, 20.8 per cent; 1933, 14.2 per cent. Stocks of wool in public warehouses and carriers' hands in Great Britain were 14,000,000 lbs. less in December, 1933, than in December, 1932.

"During 1933, as in 1931 and 1932, Canada purchased more woollen and worsted cloth from Great Britain than was purchased by any other country in the world. Canada's purchases of manufactures of wool from Great Britain in 1933, were: tops, 8,316,500 lbs.; worsted yarn, 3,063,700 lbs.; cloth, 9,688,500 square yards."

* * *

Goodyear Outlook Improves

RUBBER plants of the Goodyear Tire & Rubber Company of Canada are operating at a considerably higher capacity than they were at this time a year ago, according to a letter accompanying dividend cheques on the preferred and common stock and signed by C. H. Carlisle, president. These dividends in common stock, payable on April 2, were $1.25 a share, equal to 5 per cent annually, which is a restoration to the 1932 rate. The previous quarterly payment was $1.

Mr. Carlisle adds that the outlook for increased production during 1934 is favorable, that the cotton mill is running to full capacity 22 hours daily and is unable at this time to fill all its orders. The cotton plant is a 42,000 spindle mill, modern, operating efficiently and economically.

The company's ability to earn and pay dividends continuously both in the boom period and in the period of adversity which followed it, is attributed by Mr. Carlisle to the company's low capitalization as compared with the company's volume of business, the efficiency of the plant and the company's purchasing facilities. He points out that in the boom period when it was customary for companies to increase their stock issue by splitting shares, Goodyear Tire & Rubber Company followed the reverse policy by gradually reducing its outstanding shares. The large reserves and the strong cash position, he thinks, have close relation to the fact that during its first 17 years, the company paid only one cash dividend of 6 per cent, thus allowing earnings to accumulate as surplus.

Wineries Build on Past

IN VIEW of the fact that Canadian Wineries will specialize in its New York plant in the making of champagne and sparkling wines of all kinds, it is recalled that as far back as 1850 New York State wine makers produced sparkling Catawaba, Delaware and Diamond wines (named here from the grapes) from the Finger Lake region, the counterpart in the United States of the famous Rhine, Marne and Moselle districts in Europe, and won gold medals in Paris and Vienna. It is claimed that though these native grapes necessarily have a different flavor from the European grapes, wines made from them are superior except to palates which have been brought up on European wines and therefore deem those flavors as standards because of acquired tastes.

* * *

Dominion Coal

AFTER an absence of many months, preferred stock of Dominion Coal has recently made its trading appearance on the Montreal Stock Exchange. Once upon a time this security was considered as a prime investment issue, but when Besco got into difficulties, Dominion Coal was also affected. Dividends were passed and at present there are arrears of $70 a share. Further the stock is callable at company's option at 125 and accrued dividends. There is a bid of 44 on the stock.

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BONDS STOCKS

Burns Bondholders Agree to Changes

Holders of the 5½ per cent first mortgage bonds of Burns & Co. agreed to proposed changes in capitalization at an adjourned meeting held on March 29. Shareholders had previously agreed to changes at a meeting on March 12. Of bonds outstanding to the total of $6,757,900, $3,732,000 were voted in favor and $9,700 against.

Stewart Hamilton, secretary of the preferred shareholders committee, has advised shareholders that the response to his previous letter, asking support of shareholders in undertaking legal action against investment houses that originally sold the preferred stock, has been so unsatisfactory that the shares deposited with London & Western Trust Co. are being returned. The committee states its intention however of placing its case before the Banking and Commerce Committee at Ottawa and suggests that monetary support from shareholders will enable the committee to have legal representation before the Banking Committee.

GT. LAKES POWER EARNINGS DOWN COVERS INTEREST

Lower Operating Ratio of Algoma Steel Affects Power Sales

Gross earnings of Great Lakes Power Co. dropped $40,000 in 1933 to $682,856 while operating expenses and taxes were higher. A reduction of $41,800 in deduction for special reserve against accounts receivable enabled the company to show net earnings from operations at $422,151 as compared with $431,887 in 1932. Non-operating income of $5,710 was slightly higher than in 1932 and the company earned interest charges on its six per cent first mortgage bonds 4.15 times as compared with 3.96 times in 1932. General interest charges were up to $290,749 from $277,743 while miscellaneous charges were also higher so that only five cents per share was earned on the 7,500 shares of preferred stock outstanding as compared with $2.82 earned in 1932.

Write-offs of $76,926 were made against investments as compared with write-offs of $257,556 made in 1932.

Income and Surplus Account Years Ended Dec. 31

	1933 $	1932 $
Gross earn. from oper.	682,856	722,872
Less: Oper. exps., tax.	160,486	154,667
Retire. approp.	95,967	90,223
Spec. res. accts. rec.	4,252	46,095
Net earn. from oper.	422,151	431,887
Add: Non-oper. inc.	5,710	3,582
Net earnings	427,861	435,469
Less: Bond interest	103,007	109,900
Gen. interest	290,749	277,743
Misc., etc., net	33,719	26,643
Net profit	386	21,183
Less: appropriations:		
Pref. dividends	8,750	52,500
Common divds.	......	20,107
Surplus for year	*8,364	*51,424
Add: Prev. surplus	1,022,891	1,335,538
Adjust. of taxes	7,422	......
Trans. fr. cont. res.	......	24,000
Less: Adjustments	......	7,127
Old accts. rec. w/o	......	20,540
W/o investments	†76,926	257,556
Bal. car. forward	945,023	1,022,891

*Deficit or loss.
†Includes $4,519 written off value of miscellaneous investments and $72,407 written off investments in other utilities.

Working capital position was improved with current assets up to $306,507 from $263,335 and current liabilities down to $32,053 from $49,019. Cash is up to $67,909 from $38,359 and accounts receivable are down to $70,427 from $210,781 while $150,000 due from the receiver of Algoma Steel Corp. is shown separately for the first time. The company has no bank loan and has reduced accounts payable to $9,962 from $18,002 while accrued interest is slightly lower at $16,780.

Working Capital

	1933 $	1932 $
Current assets	306,507	263,335
Current liabs.	32,053	49,019
Working capital	274,454	214,316
Ratio	9.56—1	5.37—1

Fixed assets are carried at $10,439,866 while investment in affiliated companies remains at $150,501. Amounts due to affiliated companies have been increased to $4,182,500 from $4,019,500 while funded debt was reduced to $1,678,000 from $1,795,000. Retirement reserve has been increased to $1,318,450 from $1,222,569. Decline in tourist and inter-city travel on the ferry of International Transit Co. resulted in that subsidiary showing a deficit of $7,964. Decline in earnings of the parent company was largely due to partial shutdown of Algoma Steel Corp. while business from other customers increased.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Cost
Fredericton, N.B.	Apr.	Bank of Nova Scotia	4½%	1944	$30,000	99.66	4.54%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date	Offered by	Rate	Due	Amount	Price	Yield
Beauharnois L. H. & Power Co.	Apr.	Dominion Securities Corp. & Syndicate	5½%	1973	$15,000,000	95.50	5.79%
Stock Issues—							
NewRoy Gold Mines	Apr.	Mid-Canada Exploration Co.	...	...	250,000 shs.	50c.	...
Hedley Sterling Gold Mines	Mar.	Colquhon de Wolf & Co., Vancouver	...	com.	200,000 shs.	25c.	...

We take pleasure in announcing that
Mr. G. Stuart Osler
has been admitted to partnership
in this firm
as of March 31st, 1934

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Member Audit Bureau of Circulations

Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

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Published by
THE MACLEAN PUBLISHING CO.
LIMITED
481 University Ave., Toronto 2

Chairman of the Board—JOHN BAYNE MACLEAN
President—HORACE T. HUNTER
Vice-President and Gen. Manager—H. VICTOR TYRRELL

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.

GREAT BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W.1, E. J. Dodd, Director, Telegraphic Address, Atabek, Lesquare, London.

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TORONTO, APRIL 7, 1934

SOCIAL REVOLUTION UNDER ROOSEVELT

VIEWING the matter from this distance, it does not seem to be very important whether or not some member of the present Roosevelt Brain Trust did actually state that the Brain Trust were merely using President Roosevelt as a tool in the American social revolution. Such a charge has been made by Dr. William A. Wirt, of Gary, Indiana, and naturally this statement has aroused the keenest interest in the United States. Dr. Wirt stated that he was told by individuals in the Brain Trust group that they believed that by thwarting recovery they would be able to prolong the country's destitution until they had demonstrated to the American people that the government must operate industry and commerce. President Roosevelt was an instrument in their programme but eventually would have to be displaced because of his bad decisions. Moreover, the Brain Trusters did not feel that with his background the president could be expected to see the revolution through.

It may be that no member of the Brain Trust ever made such a bald statement. But many of them have come very close to saying the same thing. Practically all of them have said it in their deeds if not in words. There is some truth in the old adage that "actions speak louder than words." At the present time, actions are fairly shouting the determination of the theoretical groups now in control of the United States and its public affairs that the New Deal must see a complete revamping of the economic and social structure of the country.

Dr. Wirt's immediate fate may be to feel the sharp prick of public ridicule. But he will be a martyr in a good cause if he makes only a small proportion of the American people see that their chance of joining in general world recovery is being jeopardized very seriously by the effort of the college pinks at Washington to recreate United States by a rapid and violent revolution.

Certainly there is plenty in American life that is wrong, but it isn't going to be cured over night by legislation any more than it could be cured over night by the running of blood in the gutter.

There is impressive truth in the comment made by a well-informed American editor the other day that you can let the government run every aspect of the country's economic and social affairs but ultimately the politicians will run the government. And politicians are not sent down directly from Heaven with an endowment of wisdom, generosity and justice greater than that of the average man.

NEARING A BILLION

A TABLE in the 1933 annual report of the Canadian National Railways system shows that since the lines were consolidated in 1923—an eleven-year period—the railway has earned $219,000,000 on account of interest charges. During the period, a total of $501,000,000 has been paid in interest on bonds outstanding in the hands of the public. There has been a total deficit, before interest on government advances, of $282,000,000, or an average of $25,600,000 a year.

But this is putting the best possible face on the matter. It does not begin to indicate what the experiment in railway nationalization has cost the people of Canada.

Since January 1, 1919, a date which roughly marks the beginning of government railway operation in the post-war period, a total profit and loss deficit of the Canadian National Railways and the constituent portions thereof has amounted to $933,800,000.

Before the end of 1923, this deficit will have totalled $1,000,000,000.

The figures year by year are set forth in the following table:

1919	Deficit	$55,300,000
1920	"	80,500,000
1921	"	69,900,000
1922	"	57,900,000
1923	"	54,600,000
1924	"	54,500,000
1925	"	41,600,000
1926	"	28,600,000
1927	"	39,200,000
1928	"	33,400,000
1929	"	46,200,000
1930	"	73,800,000
1931	"	99,300,000
1932	"	101,300,000
1933	"	97,700,000
Total		$933,800,000

It will be noted that the railway deficit is almost $100,000,000 a year. Improved business and greater economy will reduce this total but there is not the slightest early prospect of the railway beginning to break even.

The new board of trustees will probably have some notable accomplishments to its credit before 1934 has become history. But even if they do the best that they possibly can, even if they were gods instead of mortals, they must leave the railway problem largely unsolved.

That is the point which Canadians must always keep before them.

ABLE PUBLIC SERVANTS

WATSON SELLAR, comptroller of the treasury, was among friends when he recently voiced criticism of editorial comments on civil servants. The Sellar family own and edit the leading English weekly newspaper in the Province of Quebec. Mr. Sellar was formerly on the staff of that paper, The Huntingdon Gleaner. In a speech before the Quebec-Ontario division of the Canadian Weekly Newspapers Association, he expressed the opinion that editorial writers were rather critical of civil servants. He urged them not to generalize in their attacks on Ottawa.

Perhaps there are too many civil servants. Certainly, all of our governments have taken on a great many activities that they should leave to other groups in the state to do. It would not increase unemployment for the government to abandon some of its activities for private enterprise would absorb those unemployed.

The Bennett government is not dismissing many civil servants. Chiefly, it is following the policy of refraining from making new appointments, closing up jobs as men retire or die.

If this policy is carried on for five years, there will be a substantial reduction in the total number of civil servants in Canada without serious loss or inconvenience to anyone. There is a good deal of overlapping in government at Ottawa and in this direction there is room for considerable economy. Likewise, government has not found the formula for promoting efficiency in the service and rewarding efficiency to quite the same degree as private business has.

Many men in governmental service are making a genuine financial sacrifice in remaining where they are. This is particularly true in the technical services but the situation is by no means confined to the professional employees. The well-informed, hard-working civil servant is quite as direct a loser from the inefficiency of the less industrious one as the taxpayer is.

Mr. Sellar's remarks were timely. He is himself an example of the high character and integrity of so many men in public service in Canada.

RADICALS IN THE SENATE

SENATOR JOHN LEWIS is unlikely to see in the near future the fulfillment of his wish that there should be a few violent radicals in the Senate. The two-party system remains well entrenched in Canada and neither the Liberal party nor the Conservative party embraces many very radical elements.

To Senator Lewis the word "radical" has no terrible or sinister import. To him the word but means going to the root of things and he asks "Was there ever a time in the history of mankind when it was more necessary to go to the root of things?" Pressing into service the somewhat familiar visitor from Mars, he wondered if he would not say, on his arrival on this earth, "However crazy may be the various remedies suggested by these wild theorists, they do not seem to be any crazier than the present condition of affairs—privation amidst plenty."

In any event, Senator Lewis is very grateful for the independent group in the House of Commons and he feels that it would do no harm to have in the Senate a few representatives of the radical element. The difficulty is that the Senators who are very much opposed to radicalism are fighting its proponents at long range. The Senators, says Senator Lewis, "regard the so-called extremists as vile sedition-working agitators, plotting the downfall of our political institution. Those extremists would probably retort that we are a body of soulless plutocrats concerned only with money making and caring nothing for the bodies or souls of our fellow men."

To Senator Lewis, nothing could be more rational and constructive than to bring these two extremists together and let them talk over their differences of opinion.

"For my part, I should have more hope of converting the most violent radical by bringing him into this Chamber than by putting him into jail."

The suggestion is an interesting one but it is not likely that Mr. Bennett will adopt it. No doubt Mr. Bennett considers Senator Lewis something of a radical.

PRESCRIPTION FOR GOODWILL

ON A neat little card, B. W. Keightley, advertising manager of Canadian Industries Limited, offers a prescription for consumer acceptance. The ingredients are as follows:

> "1 PART belief in the manufacturer, his resources, his ideals, his methods and his services—as developed by educational or institutional advertising.
>
> "1 PART belief in the product itself as developed by product advertising.
>
> "Mix thoroughly—compress into high-powered trade mark form. Administer as needed. The proper psychological reactions of patient may sometimes be greatly aided by abandoning traditional dosage and administering massive doses. When a patient's mind is in a state of change, changed methods of treatment are indicated."

And yet, to show that advertising, even mass advertising, administered to an unwilling patient is not enough unless the product and the service themselves are right, Mr. Keightley quotes the famous advertising slogan of Squibb.

> "The priceless ingredient of every product is the honor and integrity of its maker."

One of the most remarkable advertisements ever published in this country has just appeared in three national magazines. Sixteen pages of carefully written text and illuminating illustrations tell the story of chemistry, "The Invisible Science" and what Canadian Industries is making chemistry do for the average citizen and the average housewife in Canada. Canadian Industries has taken Mr. Keightley's prescription.

The priceless item in every balance sheet is that labelled goodwill. There are concerns which put a nominal value of $1 on their goodwill when its real worth runs into the millions. There are other concerns that place a large valuation on their goodwill but that do not consider it necessary to spend a single cent to insure that investment.

This is a day of criticism; every large corporation must be prepared to answer to the public for its right to exist and the worthiness of its economic and social functions. In such an era, when enquiring politicians and iconoclastic theoreticians are active, money invested in enlightening the public may be made to return dividends. It is essential insurance.

WHOSE MONEY IS IT?

WHAT happens to the radio license fees paid by listeners in Canada when the amount collected in a year totals more than the Radio Commission spends? It would seem that Ministers at Ottawa are not quite certain on the matter.

Various members of Parliament tried to find out the other day when an item in the Radio Commission estimates was up. Mr. Duranleau, Minister of Marine, indicated that about $1,450,000 was collected in radio fees and about $1,000,000 was spent by the Radio Commission. The surplus, he said, was left for the use of the Commission when required. It was always at the disposal of the Commission. It was not contemplated by law that some of the money received from the payment of the $2 license fee might be used for other than radio purposes.

The English language could hardly be more explicit than that.

But then Mr. Bennett interposed. He stated that all the license fees went into the consolidated fund and only a certain part of the money was used. The balance was not earmarked for radio purposes.

About all that one can make out of that conflict of opinion is that the Radio Commission can spend the money whenever it wants to but that if it does not spend the money it is used to help pay some of the other enormous bills of government in Canada.

But whoever heard of a government department failing to spend all the money it was permitted to spend? No doubt Mr. Charlesworth and his fellow commissioners will make haste to remedy their restraint.

PROFITS TO TAX

PROFESSOR GEORGE F. WARREN of Cornell University, is monetary adviser to President Roosevelt. That gives some additional importance to his statement that "prices must rise to the point where profits will be large enough to pay the taxes that are necessary to pay municipal and other public debts."

A little while ago at Washington profits were taboo entirely. But now there is discovered a member of the Roosevelt entourage who admits that perhaps profits have one useful function. At least, firms should be allowed to make enough profit to tax. Perhaps it won't be a very long step to the admission that profits should be large enough to pay a return on invested capital. If, as and when that admission is made recovery will be accelerated.

EDITORIAL NOTES

The Wrigley unemployment insurance scheme gives other firms something to chew on.

* * *

There are 675,000,000 possible new deals in a deck of cards. Washington has already tried most of them.

* * *

Scientists have discovered that there's $10,000,000 of gold in a cubic mile of sea water. Most people would rather have a cubic mile of the Lake Shore's rocks.

* * *

The extra $4,000,000 in wages that International Nickel Company is paying now over last year ought to increase public respect for the mining industry of Canada.

Post-Scripts

THE ECONOMIST, London, makes "an informed guess" that the British budget for 1934-35 will show a surplus of £65 million. In the course of its calculations, it remarks:

> "The death duties on Sir John Ellerman's estate have helped to increase this year's revenue, and it would not be wise to count on such a windfall in the next year."

Upon reading which, some of Britain's big men of money probably breathed a sigh of relief.

* * *

PARLIAMENT isn't always dull. Every few hours a bright bit of humor or sarcasm enlivens its proceedings.

This interchange took place when the Radio Commission estimates were up:

> MR. FACTOR: The programmes of the Metropolitan Opera Company and the Philharmonic Orchestra were broadcast without expense to the Canadian public before the Radio Commission began operations. Who receives the money for broadcasting these programmes? To whom is the money payable?
>
> MR. DUFF: Mae West.
>
> HON. MEMBER: Carried.

* * *

THE chairman of Vickers admitted that his firm ran full page advertisements of tanks in German papers, although Germany was forbidden tanks under the Treaty of Versailles. They were, he said, published to reach South American readers.

This reminds us of the American liquor ads. which always end "This advertisement is not intended to apply in States where sale or advertising of liquor is unlawful."

Then there is the Mickey Mouse story. Mickey trespassed on property where there was a sign reading "Private; Keep Off." The farmer called out to him "Hey, there, didn't you read the sign?"

Mickey replied "Yes; I noticed that there was a sign up. But it said 'private' so I didn't want to read it."

* * *

RECENTLY, the New York Evening Post came under new management. In the shuffle it has got a new financial editor. He has announced his policy.

The New York Evening Post will offer a new type of financial page, he says, and he goes on to specify his meaning. "Hand-outs" from the officers of corporations will not be accepted unquestioningly. The paper will give both sides of the story and will be free from bunk and bias, free from coddling to the bankers and big financial interests.

The idea may be new to New York but it certainly isn't to Canada. For 27 years, in this country, The Financial Post has been taking the bunk out of financial journalism. Yet it makes no pretence that it is exclusive in that policy.

Sayings of the Week

"America and France brought the world to ruin." —*Sir George Paish.*

* * *

"We do not want any more public debt in Canada." —*Sir Henry Drayton.*

* * *

"Women are apt to think in capitals and speak italics."—*Dr. Cyril Burt.*

* * *

"Bridge is simply one of many substitutes for thought."—*Arthur Brisbane.*

* * *

"Acceleration is not a synonym for civilization." —*Rt. Hon. Stanley Baldwin.*

* * *

"A European war in the near future is unlikely. Nobody wants it."—*Rt. Hon. H. A. L. Fisher.*

* * *

"Disarmament is the greatest topic in world affairs today."—*Philip J. Noel Baker, British M.P.*

* * *

"Britain is the envy of all Europe."—*P. A. Clews, European manager for the Canadian National Railways.*

* * *

"Whatever is uncertain in this changing world at least the laws of arithmetic are immutable."—*Sir Arthur Salter.*

* * *

"It is an injustice to the telegram to regard it as a particular conveyor of bad news."—*The Postmaster General of Great Britain.*

* * *

"A study of our past history convinces me that 'isms' will not take root in the mental soil of Canada."—*Senator John Lewis.*

* * *

"Making a speech is very much like being put on the operating table and I like to get off as soon as I can."—*Senator John Lewis.*

* * *

"The government cannot squeeze blood out of a stone or taxes out of losing business."—*Russell T. Leffingwell, partner of J. P. Morgan & Co.*

* * *

"The present depression means to many who had five servants and three cars that they must now do with three servants and one or two cars."—*Channing Pollock, American playwright.*

* * *

"As a people, the Americans seem to absorb themselves to an unusual degree in one thing at a time; but when they do a thing they are apt to do it with all their might."—*Prof. Arnold Toynbee.*

* * *

"Not a single farmer in Western Canada wants any charity or any patronage from anybody. He wants a fair deal with a fighting chance and he will get through if he gets that."—*George H. Barr, K.C., Regina.*

* * *

"The notion that we are devastated by over production and that the road to prosperity is to produce less of everything has assumed the proportions of a national delusion."—*Walter Lippmann, in the New York Herald Tribune.*

New Books

"City and Country"

One approaches with keen appetite a volume of which the joint authors are P. C. Armstrong and F. E. M. Robinson. Mr. Armstrong arrived at his present position in the sphere of economic literature by the successive steps of engineer, journalist and farmer. Mr. Robinson is that rarity, a Cambridge graduate and engineer, who has been exceedingly successful at farming in Canada. One of the leading dairymen of the country, he was for several years president of the National Dairy Council of Canada. His views have frequently been quoted in The Financial Post, as have those of Mr. Armstrong.

These two authors have collaborated in writing "City and Country," which is an attempt to outline certain economic theories relating to city society and rural life. They subtitle their book as "A Study in Fundamental Economics" and this it is, hard reading for the average workaday man, but a provocative piece of economic thought for the genuine students.

Their argument is that city society is a specialized form of rural society. The whole progress of man must be derived from and be conditionad by his ability to win wealth from the soil. Urban civilizations that get too far from the soil rise and flourish, die and decay. The present unbalanced state of world society may be traced to over-industrialization, to lack of balance between the rural and urban elements in society. The authors do not despair of an ultimate return to stability; in fact, they consider it inevitable, although they feel that the delay in achieving stability will be long or short according to our ability to remove some of the handicaps from rural life.

The authors challenge much modern economic thinking when they argue that an outright return to a laissez faire theory of government is essential if rural life is to have its full development. They decry the current tendency to economic direction by the state and reiterate that the dominating motive of the economic progress is the desire of profit. Some vague class which they describe as business men must undertake the task of setting up a stable society and they are inclined to feel that those men who show greater wisdom than the average in choosing the outlet for their activities which will bring the greatest profit, are perhaps precisely the men who will build the most stable society. But no urban system, they argue, can be established which does not remember its rural base.

"City and Country" by P. C. Armstrong and F. E. M. Robinson is published by the Macmillan Company of Canada, Toronto, at $2.00. It is not a lengthy book and despite its deep probings of economic theory it is by no means dull.

In the Mail

Each Man to His Job

Editor, The Financial Post:

By not using my car much, also by doing without other things we need, thus avoiding paying taxes on gasoline, etc., our various taxing bodies have permitted me to salvage $5, which I am sending you as subscription for ensuing year. We want to follow your crusade against high and overlapping taxation.

It is also interesting to follow the activities of governments the world over. We find some governments bonusing farmers to grow more wheat, others bonusing farmers to grow less wheat, our own ten ministers of agriculture helping along by advocating mixed farming, cutting of acreage, etc., and, at same time, bonusing farmers by refunding gasoline taxes, providing grasshopper poison and gopher poison, setting up wheat boards and so on, for all of which the taxpayer, farmers included, pay.

Do you not think it would be better for all concerned, if governments would run the business of government cheaper, and, at same time, let farmers and others run their own business?

SUBSCRIBER.

Hatton, Sask., March 16, 1934.

Advice to Editors

Editor, The Financial Post:

I am a very humble citizen. I just work, and pay my taxes and my grocery bills. I freely admit that I am not competent to lead a nation. Still, I sometimes wonder, if I had led a nation, would it now be in any more gigantic mess than the men who lead our nation have got it into. I was raised on the theory that these men were super-men. You must admit that we reimbursed them accordingly, but I am beginning to wonder if we got our money's worth.

For some months now, I have been reading their statements to the effect that things are steadily improving. Saturday night, my daily paper rather rudely shocked me by quoting figures to show that we have had more people on relief during the past winter than we had a year ago. If this is the manner in which we are improving our situation, let's hope that the improvement will shortly come to a halt, before we are all on relief.

I am writing this letter to remind you that you are carrying a heavy load of responsibility these days. A lot of people listen to what you say. Mainly they do it, because they are too indolent to do their own thinking. They prefer to pay you five dollars a year to do it for them. And when you take the money, if I may make bold to say so you have a sort of a moral obligation to keep as clear as possible of tripe. Because the more silliness that creeps into our thinking, these times, the more severe will be the reckoning, a bit later.

Oxbow, Sask. G. W. ALLEN.
March 12, 1934.

Canadian Investment Trusts

Editor, The Financial Post:

It is with great pleasure I notice in your publication of 17th February, the details of the Stevens Parliamentary Investigation Committee. To my mind, however, this does not appear to cover quite all that should be looked into. My principal association with your country is on the investment side, and I know that the shares of London Canadian Investment Corp. and Consolidated Investment Corp. of Canada (now United Corporations) were both very extensively sold in this country, principally on the good name of the sponsors and their association with the Royal Bank of Canada. These two companies have had a most disastrous history, and any investors who did become interested, are so sickened with Canada that few of them will even consider the possibility of investing further in your Dominion, which I think is a great pity. I was across in Canada last autumn, and from the few enquiries I made with regard to these two companies, I got a very unpleasant opinion of their management and the way their business was conducted. On the other hand, Dominions Scottish Investment, which was formed a little later than either of the two former, has also not had a very good history, but I may say that this company, as far as I could understand, has been absolutely honestly managed to the best interest of the shareholders, and when I called on the management I was treated with the greatest respect, and actually saw a list of practically all the investments the company had ever made, and their misfortune is, as far as I could ascertain, merely that generally associated with the slump.

I do not know whether you can do anything to raise this matter and to get it included in the investigation that is going on, but, to my mind, it appears to be little short of scandalous that the founders of the two former companies I mention, should still be occupying prominent positions in Canadian business circles.

Aberdeen, Scotland. G. A. WILLIAMSON.

As Others See Us

New Ideas?

St. Catharines Standard: The Financial Post this week submits a list of new ideas which are being added to formerly accepted doctrines, and which, that paper thinks, should be pasted in a scrap book and kept for the benefit of posterity.

If there is one of them more outstanding than the others it must surely be the dictum that governments should do more for the average man but they should also reduce expenditures. On every side, one hears this demand and it doesn't just jibe. It is epitomized in advising economy for the other fellow at all times.

There has never been a time since Confederation when so much has been asked of the government, federal and provincial, and there has never been a time when so much has been done by government. And yet it is marvelled at that everybody works one day in three to pay government expenses in this country.

Effective Answer

Prince Albert Herald: "Municipal finance in Ontario is in a crisis." The same issue of The Post in which the above appeared, stated that the gross municipal debt in default in the province of Quebec amounts to approximately $15,062,725.

Where, may one ask, are the charges of extravagance the East has taken such delight in bringing against the West, and particularly Saskatchewan?

Eastern municipalities in default have enjoyed prosperity conditions compared to what municipalities in the southern portions of this province have been passing through in the drought and grasshopper years.

Saskatchewan's remarkable record in the face of difficulties beyond the comprehension of the smug Easterners is an effective answer to the Eastern wiseacres.

That So-called Surplus

London Advertiser: The Financial Post says the kind of surplus the Ontario Government has shown is "a dangerous illusion." It has been achieved, it says, "by the simple process of charging to capital account every single cent of relief expenditures excepting the ordinary costs of the staff necessary to administer relief." If the province were to charge to current expenditures even the 20 per cent of relief expenditures that it started to charge the previous year, The Post points out, "it would have shown a deficit of $2,500,000."

The so-called surplus of 1933 is a bookkeeping feat, a juggling with accounts and balance sheets, and therefore an attempt to hide the facts from the people and the province. The trick is clumsy and transparent. It fools no one who understands simple arithmetic.

Ontario Municipal Defaults

Alameda (Sask.) Despatch: Western Canada, especially the prairie provinces, have been going through trying times and many defaults in a minor way have been recorded; a few municipal defaults are included but we were led to consider that such defaults were only taking place in the West. This week The Financial Post, of Toronto, publishes a story stating that the Ontario municipal defaults amount to $100,000,000, being about 20 per cent of the municipal bonds of the province. The total of the municipal indebtedness at the end of 1932 was $504,000,000 in Ontario. The population of the municipalities listed as defaulters is given as 332,692, slightly less than 10 per cent of the total population of the province. After reading this story we consider that the prairies are not in such a bad way; when the old and wealthy Province of Ontario is so far in the red, there is hope for the West, if only by way of comparison.

Taxes and Taxes

Belleville Intelligencer: The Financial Post states that nearly one hundred million dollars is the aggregate sum of money defaulted by various municipalities in Ontario.

Ontario people do not realize that the defaults are proportionately higher in Ontario than in Saskatchewan, which has been much in the limelight for tax defaults. Saskatchewan has been watching its debts for years while Ontario municipalities have not been so careful until recently. They were caught in the full sweep of the expenditure wave up to and after the time of the 1929 "break."

Most of these municipalities did exactly what the man who bought stock on the margin did—he and they built everything and discounted the future and continued "progress." He and they did not realize that every boom means a lull to catch the breath. The tragedy is that sometimes in catching his breath the patient may die from over-exertion.

Surely out of the debris of broken hopes of individuals and the almost as lamentable state of some municipalities which did not watch the outflow of money, a saner outlook and planning may come. As a matter of fact it has to come. Municipalities have come to realize that it is only those who are now paying taxes, that is, those who can pay taxes who can be counted on to bring the situation out of the tax slough of almost despond in many places. They are learning to cut tax rates—the only thing to do.

Paying for Relief

Kingston Whig-Standard: In the case of municipalities some people have held that relief expenditures should be met out of current revenue and that the tax levy should be raised to accomplish this purpose. In Ottawa, for instance, this policy has been followed with the happy result that Ottawa has no loan charges to face on this account for its expenditures so far. There has been the second view that it is fair and reasonable to meet a part of relief expenditures out of current revenue and fund the balance, writing the latter off in equal annual amounts over the next few years. It has received the approval of several men of high reputation in public finance. The policy of funding all such expenditures, as adopted in some instances, has been due to the fatal readiness to borrow money and fear of putting any further load on taxpayers already burdened.

In 1932 the Province of Ontario started to write off its direct relief costs on the basis of one-fifth annually for five years, putting the charge among ordinary expenditures. Last year the same amount should have been charged, The Financial Post asserts, but it was omitted. In addition one-fifth of the relief expenditures for 1933 should have been added. Instead of that the entire direct relief cost of $10,905,286 was capitalized. If a start had been made to write this off, there would have been a total deficit of $2,489,569. The kind of surplus Ontario has thus shown, says The Post, is "a dangerous illusion," and the plan for amortizing relief should be recommenced immediately.

Canadian External Trade

Recent changes in Canadian external trade and their meaning to bond investors are analyzed in our April Investment Letter.

A copy will be sent gladly to any investor upon request.

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The Week in Business

Easter Trade Good

PROBABLY the best indication of nearly a year of gradual business improvement was afforded in the past week when a belated fall of snow did its best to wreck Easter retail business in Toronto, reports from a number of prominent retailers indicating that sales were ahead of 1933 in spite of the unseasonable weather. Mild weather in the days immediately preceding the holiday week-end resulted in wholesalers receiving a large quantity of rush orders, some of which could not be filled owing to pressure of earlier business.

Reports from other parts of the Dominion indicate an encouraging increase in turnover as compared with 1933 except in Winnipeg. Trade in that city remains about the same level as in 1933, it is stated.

* * *

Wide Improvement Reported

MEANWHILE, other lines of spring merchandise continue to move in heavier volume than a year ago. Jobbers in the hardware trade report more and heavier orders than last year, according to Hardware and Metal, Toronto. Sales of mining equipment and supplies have been consistently good and have shown further increases during the past few weeks. At British Columbia and Ontario points outfitting of prospecting parties and individuals has been in greater volume than for some years, according to reports.

Demand for new automobiles is reported as satisfactory by all manufacturers with deliveries continuing behind orders. Chrysler is beginning to catch up with orders for the new Airflow job but spot delivery of any make is still almost impossible. Announcement of the 1934 line of Ford trucks was made last week, more emphasis being placed on this division of the company than in the past two years.

* * *

A Year of Recovery

BUSINESS statistics of all kinds continue to show considerable advances over the corresponding period of 1933. As we are rapidly approaching a date when comparisons with 1933 will be made with periods past the nadir of the depression, comparison of current business indices are not likely to be so stimulating psychologically, it is pointed out in the current weekly review of business by Dun & Bradstreet, Inc.

* * *

U.S.A. Housing Plan Next

CAN the United States recovery administration exert a constructive influence on business, as opposed to the subsidizing process which has been going on since last March? This is the question that will be answered by the results of the administration's campaign for modernization and building of homes, according to the Whaley-Eaton Service, Washington.

Although there is general unanimity that housing is the next step that must be taken, there is disagreement as to the methods to be employed. Three plans are noted, according to the Service, being (1) remove all barriers to private investment and let Nature take its course; (2) prime the pump with government money; and (3) localize the whole housing industry. The President's position remains that public money should only be used as a last resort.

Comment on the proposed schemes by Whaley-Eaton states that there is no assurance that Mr. Roosevelt will approve any elaborate plan, although something will be done. More than $2 billions is still unallocated in the President's "recovery" funds, it is pointed out. As to the effect of any programme on business, the first stage, it is anticipated, beginning about a month hence, will be one of ballyhoo; the second, throughout the summer, will be devoted to negotiation and education; the third, beginning in the fall, should show whether any substantial amount of construction would result.

Business Briefs

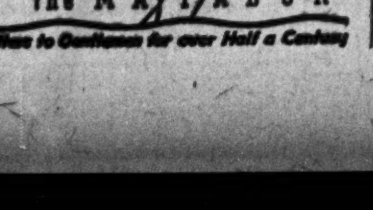
Passenger Car Sales in February numbered 3,636 as against 2,158 in February a year ago, according to the Dominion Bureau of Statistics, an increase of 68.5 per cent. Aggregate value at $3,596,000 was higher by 57.6 per cent.

Automobile Financing in February amounted to $1,123,939 for both new and used cars, a decrease of 4.1 per cent from the same month of 1933.

Coal Production in February amounted to 1,016,458 tons as compared with 1,049,516 tons in February a year ago. Declines took place in British Columbia and Alberta production, Nova Scotia being higher.

Failures under the Bankruptcy Act during the week ended Mar. 24 numbered 20 as compared with 35 during the corresponding week of 1933. Failures to date are down 43 per cent, the comparative figures being 274 and 480.

Car Loadings in the week ended Mar. 24 numbered 42,313, a decrease of 1,299 cars from the previous week but 6,781 cars ahead of the corresponding week of 1933. The adjusted index dropped more than 2 points to 70.59.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Business Conditions in Canada

BUILDING AWARDS INCREASE GAINS OVER LAST YEAR

March Total More Than Double 1933—Relief Work Helps

While the total of construction contracts awarded in March is small compared with that recorded in years prior to 1932, the fact that it is about 139 per cent above the March, 1933, figures and considerably greater than that of February this year indicates at least a slight revival in the industry. Contracts awarded in Canada during the past month amounted to $7,517,500, according to MacLean Building Reports, Toronto, making the aggregate for the first three months of the year $19,855,500 as compared with $9,703,300 in the same period of 1933.

Comparison of contemplated work reported during the first three months of this year with the same period of last year shows an even greater percentage in favor of 1934, the respective figures being $80,600,000 and $25,875,000. It is understood that a considerable amount of this work has been held up owing to severe weather in Eastern Canada and a belated spell of heavy winter in the Prairies.

Relief Work Helps

Road and sewer and general engineering work, a large proportion of which is in the nature of relief work, accounts for more than 50 per cent of the March total. As relief work was entirely missing a year ago, this makes the favorable comparison with 1933 rather less impressive. Good increases in residential and business building are recorded, however.

Classification of the March, 1934, total according to types of construction shows htat $1,501,400 of the total was for residential building, $1,831,100 was business building, $317,900 was industrial and $3,867,100 engineering. How these totals compare with February, and with March a year ago are shown in the following table:

Construction Classified According to Types

	March, 1934	Feb., 1934	March, 1933
	$	$	$
Residential	1,501,400	1,154,800	1,106,800
Business	1,831,100	971,700	1,269,200
Industrial	317,900	213,500	386,300
Engineering	3,867,100	3,295,100	429,300
Total	7,517,500	5,635,100	3,191,600

Ontario Leads

Ontario accounted for the bulk of the March contracts awarded with $4,835,500, or 64.4 per cent of the total. Quebec contracts amounted to $1,767,800 or 23.5 per cent; British Columbia $385,300; Prairies $278,600 and Maritimes $232,300. In every case these totals are greater than in March a year ago or in the previous month.

Commodity Prices

EASTER holidays affected almost all commodity markets during the past week, the long Easter layoff in Great Britain accounting for weakness at Winnipeg particularly. Cotton in New York sold off slightly but other commodities generally sold higher on Easter Monday.

United States wheat crop will be slightly higher than was expected, according to the first unofficial estimate, and it is thought that this accounted for weakness at Chicago, reflected to some extent at Winnipeg.

Livestock and produce markets in Canada were strong during the past week, supplies just keeping up with demand. Some improvement in tone was evident as far as cattle was concerned but prices failed to make any considerable advance.

	Latest week	Previous week	Same week last yr.
Cattle, cwt.	$6.50	$6.50	$5.00
Copper, lb.	.08	.08	.05
Cotton, lb.	.1220	.1225	.0640
Rubber, lb.	.11	.11	.0296
Sugar, raw, lb.	.0295	.0297	.0295
Silk, lb.	1.35	1.40	1.20
Wheat (Man.) bu.	.66⅝	.66¼	.49⅞
Hides, lb.	.10	.09½	.06
Coffee, lb.	.10½	.10⅝	.07¾

Weekly Indices

N. Y. Annalist	107.5	108.3	82.0
Fishers'	74.0	74.1	†63.6
N. Y. Journal of Comm.	73.8	74.0	54.0
Crumps (Brit.)	64.6	65.1	†62.4
U. S. Labor	73.5	73.7	60.5

† Average, 1933.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.)			
W'sale (Feb.)	72.1	70.6	63.6
Retail (Feb.)	79.2	78.7	78.4
U. S. Labor (Jan.)	72.2	70.8	61.0
Gt. Brit. (Jan.)	70.7	69.6	67.7

Note: Indices all on base 1926 = 100 except N. Y. Annalist which is 1913 ± 100. British index is Board of Trade converted to 1926 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15, New York: sugar — 96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis: hides—heavy native steers: coffee—Rio, No. 7, spot, New York.

New Industries

Pioneer Carbon Black Co. will erect a $20,000 plant near Craigmyle, Alta., to be ready for production by July, the Calgary Herald states. C. R. Ecklin, sponsor, believes that this will be the first plant of its kind in Canada. For the past few years, Mr. Ecklin has been obtaining carbon black by burning a gas flow in this area and the use of crude apparatus.

Shippers Suggest Changes Railway Traffic Services

Canadian Industrial Traffic League Wants Extension of Pick-up and Delivery Service—Reduced and Simpler Rates—After Hours Pick-up Service

Extension of the railways' pick-up and delivery service to all points in Ontario and Quebec served by motor truck carriers is suggested in a report of a subcommittee of the Canadian Industrial Traffic League, recently sent to the officers of the C. N. R. and C. P. R. A number of rate changes are also suggested and a simplified rate schedule proposed so that prospective shippers would be able to ascertain quickly what their costs would be on any specific shipment.

During the past month the committee, consisting of Chas. La Ferle, traffic manager of the R. Simpson Co.; S. B. Brown, manager of the transportation department of the C. M. A.; C. W. Middleton, traffic manager of Page-Hersey Tubes and B. J. Murphy, secretary-treasurer of Link-Belt Limited, has been investigating the charges and service of the pick-up and delivery service of the railways, particularly as they refer to motor truck competition.

Need Better Service

Conclusions drawn in their report are the outcome of study of data collected throughout Canada by the medium of reports and questionnaires. It is stated that the C. I. T. L. represents every phase of the transportation in the Dominion and its membership controls over 75 per cent of the tonnage of the country.

"With respect to the motor truck, the fundamental fact most worthy of being pounded home was that the railways, in order to meet motor truck competition, must render same or better service, than that of their competition highway competitors," A. R. Treloar, general secretary of the league states in a letter to The Financial Post. "The committee has stated most emphatically that halfway method will not be effective. Every attractive feature offered to shippers by independent motor truck operators must be duplicated or improved by the railways, if the loss of merchandise, freight and express traffic to the independent operator is to be stemmed," he adds.

Under the present system of rating for pick-up and delivery service by the railroads, one rate at the approximate level of the third class of the ordinary class rate tariff is quoted for application on the different classes of traffic. This, the committee states in its report, fails to attract a substantial tonnage of heavily loading commodities, which are rated third and fourth class in the classification and it would appear that this situation could be improved by introducing varying scales of rates, to include pick-up and delivery. Rates suggested are as follows:

Articles rated in the Canadian Freight Classification higher than 1st class l.c.l., to be charged a scale of rates equal to the existing 1st class freight rate.

Articles rated in the Canadian Freight Classification 1st or 2nd class l.c.l., to be charged a scale of rates equal to the existing 2nd class freight rate.

Articles rated in the Canadian Freight Classification 3rd or 4th class l.c.l., to be charged a scale of rates equal to the existing 4th class freight rate.

Articles accorded l.c.l. commodity rates, to be charged at the commodity rate.

Suggest Internal Changes

Dealing with internal operation of the railway freight services, the report of the committee makes three specific suggestions aimed to improve the speed and scope of the services offered. First, co-ordination of the freight and express departments, with the addition, where necessary, of motor truck services, is suggested. Utilization of trailer units for pick-up and delivery service in certain commodities and areas, the trailers to be loaded on flat cars for railway transportation, is the second suggestion made.

Extension of the hours of pick-up serve should be considered, the committee thinks, Present pick-up service is not afforded after 5 p.m. while highway service in many instances is available at a much later hour. Shippers have therefore come to depend on highway service to serve the needs of their customers.

EMPLOYMENT GAIN MOST IMPORTANT IN MARITIME AREA

Gains Made in Face of Finish of Bush Operations

Recording the highest level since the beginning of 1932, employment in the Maritimes at the beginning of March reported the most important gain among economic areas as compared with February 1. It is noteworthy that this increase took place in the face of a heavy reduction in persons employed in logging, bush operations being almost completed for the season.

Considerable gains were registered in the Maritimes in transportation and construction; there were smaller increases in mining, services and trade, while manufacturing showed practically no general change.

Chief gains took place in Ontario but employment in all areas with the exception of the Prairies was higher than at the beginning of February. Employment was generally in considerably greater volume than at the same date of 1933.

Most Cities Report Gains

Employment increased in seven of the leading cities for which separate statistics are tabulated — Montreal, Quebec City, Toronto, Hamilton, Windsor, Winnipeg and Vancouver, showing an upward movement, while in Ottawa contractions were indicated. Summary of returns show:

Montreal — Leather, textile and tobacco factories were chief lines to gain. Retail trade and building also reported increased staffs. Transportation, road construction and maintenance reported curtailment.

Quebec — Manufacturing afforded more employment and construction and transportation were also brisker. Other industries, on the whole, recorded only small changes.

Toronto—Activity increased in the textile, leather, lumber, vegetable food and iron and steel groups, but there was a decline in electrical apparatus and printing establishments; among non-manufacturing industries, retail trade showed improvement, while other divisions showed little general change.

Ottawa—Reduction occurred chiefly due to fall in construction. Little change in other lines of activity.

Hamilton—Losses in services and construction more than offset by gains in manufacturing, transportation and trade.

Windsor—Increase was mainly due to improvement in the automobile and associated industries.

Winnipeg — Very little change. Trade increased, while transportation, services and manufacturing were slightly slacker.

Vancouver—Manufacturing showed moderate improvement and transportation was more active but the aggregate increase was small.

Premier Laundry Shows Increased Deficit in 1933

Premier Laundry Ltd., Calgary, had a net loss of $11,963 in 1933 which increased deficit account to $21,741. Current assets totalled $16,278 at December 31, 1933, while current liabilities totalled $21,914 including a bank loan of $16,800.

Land, plant and equipment is carried at $172,781 after providing depreciation reserve of $40,479 against buildings, plant and equipment valued at $191,374 as well as depreciation reserves against furniture, fixtures and auto trucks. Mortgage payable has been reduced slightly to $3,624. There are outstanding 1,300 shares of $100 par value preferred stock and 10,400 shares of no par value common stock.

Canadian Business Indicators

Compiled by The Financial Post

▲Denotes new figures this week.

	Weekly Latest 1934	1933	Cumulative Jan. 1 to date 1934	1933
Transportation—				
Car loadings (Mar. 24)	▲42,313	35,532	491,279	396,215
C.P.R. gross earn. (Mar. 21) $	▲2,218,000 $	2,003,000 $	24,218,000 $	20,774,000
C.N.R. gross earn. (Mar. 21) $	▲3,088,358 $	2,470,961 $	32,488,346 $	26,482,058
Business Conditions—				
Weekly index D.B.S. (Mar. 24)	▲92.0	71.6	......	......
	Monthly			
C.P.R. net earn. (Feb.) $	▲818,520 $	96,611 $	1,707,509 $	419,983
C.N.R. net earn. (Feb.) $	▲‡724,990 $	‡1,860,512 $	‡1,533,956 $	‡3,767,936
Iron and Steel—				
Pig iron, tons (Feb.)	▲12,199	6,144	42,876	35,353
Steel, tons (Feb.)	57,979	12,374	118,766	53,140
Auto. prod. No. (Feb.)	8,571	3,298	15,475	6,656
Auto Vehicles—				
Passenger, sales, No. (Feb.)	▲3,636	2,158	5,505	3,782
Trucks & buses, sales, No. (February)	▲594	242	834	420
Auto. exports, No. (Feb.)	▲3,045	256	5,449	831
Construction—				
Building permits (Feb.) $	881,152 $	925,894 $	1,574,114 $	2,111,855
Contracts (Mar.) $	▲7,517,500 $	3,191,600 $	19,855,500 $	9,703,300
Newsprint—				
Production, tons (Feb.)	174,447	125,916	362,821	266,455
Exports, tons (Feb.)	▲131,919	107,446	319,739	235,225
Sugar—				
Imports, raw, lbs. (Jan.)	▲10,751,800	8,621,900	......	......
Melt. & ship., lbs.*	▲20,069,718	19,041,407	36,690,828	37,808,036
Manufactured, lbs.*	▲19,844,708	20,347,109	42,502,105	47,650,242
Flour—				
Production, bbls. (Jan.)	▲1,042,505	869,107	......	......
Wheat flour exp., bbls. (February)	▲328,378	333,114	776,874	730,418
Other Industrial Indices—				
Lumbering: Plank & Board Exports, mill. ft. (Feb.)	▲104.95	37.71	198.93	76.38
Boots and shoes, pr. (Jan.)	▲1,030,667	921,898	......	......
Petroleum, imp., crude gal. (February)	44,369,000	37,555,919	101,971,586	72,640,869
Cotton, imp., raw, lbs. (Feb.)	▲11,000,900	6,026,000	19,499,000	14,791,000
Rubber, raw, imp. lbs. (Feb.)	4,153,000	2,681,000	8,007,298	5,294,427
Coal imports, tons (Feb.)	▲431,994	455,272	974,545	941,478
Gasoline sales, gals. (Dec.)	▲28,070,000	29,674,000	485,550,000	503,781,000
Trade—				
Imports (Feb.) $	33,591,884 $	23,514,114 $	65,983,808 $	47,955,247
Exports (Feb.) $	37,842,408 $	26,397,528 $	84,494,420 $	57,959,341
Wheat exports, bu. (Feb.)	6,512,486	10,922,337	13,600,997	25,629,138
Labor—				
Employment Index (Mar.)	*▲92.7	76.9	......	......
Electric Power—Output—				
M. Kilowatt hours (Feb.)	▲1,612,680	1,299,580	3,341,241	2,696,241
Finance—				
Failures, No. (Dec.)	159	196	2,044	2,420
Failures, Liabilities (Dec.) $	2,344,772 $	7,836,877 $	32,953,858 $	51,629,303
Bank debits (Feb.)† $	▲2,089,346 $	1,830,277 $	4,686,362 $	3,799,153
Bond sales (Feb.) $	▲282,654 $	209,000 $	44,200,654 $	20,401,610
Insurance sales (Feb.) $	29,493,000 $	28,776,000 $	57,418,000 $	59,890,000
Automobile Financing—				
Used cars (February) $	▲508,423 $	638,935 $	968,549 $	1,183,413
New cars (February) $	▲615,516 $	532,639 $	979,363 $	988,914

*Four weeks period, Feb. 3 to Feb. 28. †(000's omitted). ‡Deficit.

PACK OF SOUPS, VEGETABLES UP, FRUITS DOWN

Pineapple Imports Mount — Pear Exports Up 50 p.c. — Beans Double

In a report which includes more than 95% of the total production of canned fruit and vegetables in Canadian canning factories in 1933, the Dominion Bureau of Statistics states that the output of canned fruits of all kinds declined from 1,336,153 cases in 1932 to 1,044,119 cases in 1933, while the pack of canned vegetables, exclusive of soups, baked beans, catsup and tomato pulp, increased from 3,747,195 cases in 1932 to 4,118,420 cases in 1933. The output of soups also increased from 1,093,048 cases in 1932 to 1,289,085 cases in 1933.

Imports of canned vegetables continued to decline, dropping from 3,081,624 pounds in 1932 to 2,096,133 pounds in 1933. The total imports of canned fruits, however, increased about eighty-five per cent, going up from 11,523,835 pounds in 1932 to 21,326,891 pounds in 1933. This is accounted for by the increased imports of canned pineapples which rose from 7,543,940 pounds to 18,353,620.

Fruit Exports Gain

Exports of canned vegetables in 1933 were 17,409,878 pounds, somewhat less than the 18,037,059 pounds exported in 1932. Exports of canned fruits were much higher, however, having risen from 10,289,295 pounds to 16,484,154 pounds.

The pack of canned fruits in Canada in 1933 as compared with 1932 showed declines in apples (including crab apples), blueberries, peaches, pears, raspberries, strawberries and all other fruit, except plums and prunes, which showed a considerable increase, and loganberries which appear in the statistics separately for the first time at 49,168 cases weighing 1,413,701 pounds. British Columbia was the one producer of loganberries. Ontario canners accounted for more than 80% of the total pack of Canada.

In 1933 there were larger packs of green or wax beans, beets, pumpkins, tomatoes, tomato juice and tomato paste, puree and soup. There was a small decline in corn and larger declines in the packs of asparagus, carrots, peas, spinach and other vegetables not mentioned. Ontario's pack amounted to 6% of the Dominion total, Quebec's to 25% of the whole and British Columbia's to 17% of the whole.

Chief declines in packs of canned vegetables were shown by asparagus, baked beans, peas, mushrooms and all other vegetables except tomatoes and corn which showed increases.

There were declines in imports of peaches and apricots, pears and all other fruit except pineapples.

Exports of canned tomatoes and all other vegetables showed declines but canned beans more than doubled. Canned fruit exports showed increases mainly because canned pears increased more than 50% and canned apples appeared in the statistics for the first time at 3,632,049 pounds.

Foreign Exchange

WEAKNESS of the United States dollar on rumors of further devaluation sent the pound sterling and the Canadian dollar higher in New York in the week ended April 1. There is no official confirmation of talk of further dollar devaluation.

The franc's position on gold is reported to be more precarious than has been supposed for some weeks. France still has very large stocks of metal. But the pressure of deflation in France is said to be so great as to make an overnight devaluation possible. Frenchmen generally are opposed, and the government has been steadfast in its claims that the present standard will be maintained.

* * *

EXPORTS of liquor are reported a strong influence for firmness of the Canadian dollar in New York. American buying of Canadian securities is also believed to be a major influence. Because of the change of liquor laws in the U.S.A., there is understood to be a possibility of a substantial part of Canada's tourist business being lost. This would affect our exchange unfavorably, but might be offset by importation of capital from the United States.

FOREIGN EXCHANGE

New York Funds

	High (Premium) %	Low (Premium) %	Last Year High (Premium) %	Last Year Low (Premium) %
Mar. 27	1/16	1/16	20 1/16	20 1/8
Mar. 28	1/16	Par	20 3/8	20 1/4
Mar. 29	Par	*1/16	21	20 3/8
Mar. 30	..	...	20 11/16	20 1/16
Mar. 31	Par	*1/16	20 13/16	20 1/16
Apr. 2	..	...	20 3/8	20

*Discount.

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Mar. 27	5.10	.0658	.0857⅛
Mar. 28	5.11½	.0658½	.0861
Mar. 29	5.13	.0657	.0858½
Mar. 30	.....	......	......
Mar. 31	5.14¾	.0659	.0860
Apr. 2	.....	......	......

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Mar. 27	5.10½	0.0658¾	0.0858
Mar. 28	5.11¾	0.0658¾	0.0860½
Mar. 29	5.13	0.0657¾	0.0858½
Mar. 30	....	.....	.....
Mar. 31	5.13¾	0.0658¼	0.0859¼
Apr. 2	....	.....	.....

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Mar. 27	0.3974½	0.2335	0.3043
Mar. 28	0.3972	0.2335	0.3040
Mar. 29	0.3984	0.2330	0.3051
Mar. 30	....	.....	.....
Mar. 31	0.3971	0.2333	0.3050
Apr. 2	....	.....	.....

Quebec Asbestos Output Shows Steady Increase

The mineral production of Quebec as reported by the Bureau of Mines for the first two months of 1934, reflects a steady increase in the shipment of asbestos while gold and silver output is about on a par with that averaged throughout 1933.

Comparative figures are as follows:

	1934 Jan.	1934 Feb.
Gold, oz.	33,815	32,976
Silver, oz.	34,545	30,457
Asbestos, tons	8,502	9,256
Clay prod., $	28,285	18,639
Lime, tons	8,514	8,245

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LET Barrett make a thorough examination of your roof . . . the flashings, the connections around vents and stacks, etc., the roof drainage and the roof covering itself. The results are submitted in an unbiased report telling you the true condition of your roof—which represents the judgment of an experienced roofing man. Roof Inspection is a regular feature of Barrett's Roof Service, and it is typical of Barrett's undisputed leadership in roofing—a reputation won and held since 1854. It is known by the leading architects and engineers as the most thorough and conscientious roof inspection service available. Barrett will gladly arrange an inspection of your roof at your convenience and without obligation.

The Barrett Company LIMITED
MONTREAL TORONTO WINNIPEG VANCOUVER

BURS

Barrett ROOFS have the Greatest Life Expectancy

E. A. G. LUXTON WINS ROYAL BANK PRIZE

U. B. C. Student Studies International Movements of Capital

The Royal Bank announces that its annual award of a $1,000 fellowship has been made to E. A. George Luxton, University of British Columbia, for an essay on "The Restoration of International Movements of Capital." Denis Harvey, Macdonald College, was awarded second place for a paper on "The Future of the Export Trade in Canadian Farm Products." Third place was taken by Mitchell W. Sharp, University of Manitoba, and fourth place by John F. Fairlie, University of Toronto.

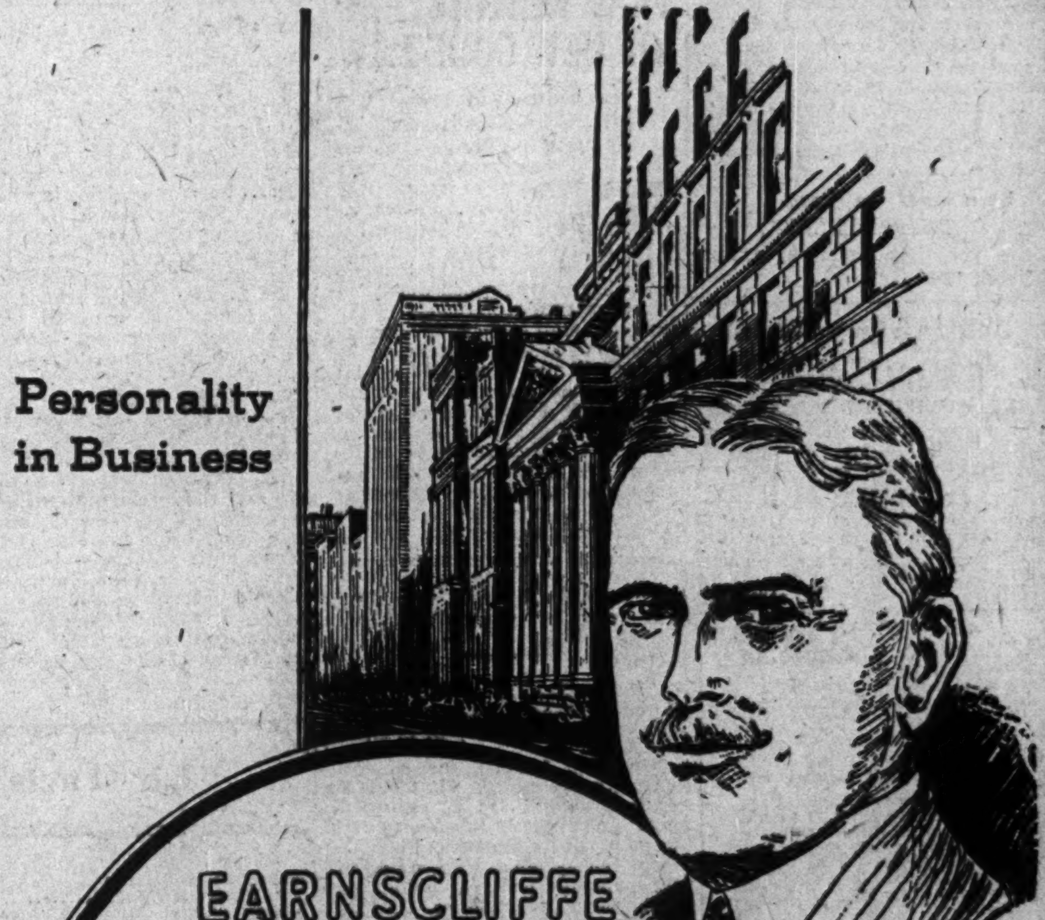
The judges of the contest were Dr. Oscar D. Skelton, Under-Secretary of State of External Affairs, and W. C. Clark, Deputy Minister of Finance.

The winning paper gave a careful analysis of the necessity of re-establishing the natural flow of funds to those countries where the opportunities for the development of natural resources are most favorable. It concludes that international debt must be written down in relation to current capacity to pay before there will be a sufficient revival of confidence to permit the flotation of foreign loans.

Minerals in Saskatchewan

Although Saskatchewan is one of the smallest mineral producing provinces of the Dominion, its proportion of output rose from .88 per cent in 1932 to 1.12 per cent in 1933, according to a preliminary report of the Dominion Bureau of Statistics. The production values were, respectively $1,681,728 and $2,477,836.

Personality in Business



EARNSCLIFFE LINEN BOND

Executives who realize the importance of personality in business insist on stationery which will command respect and create confidence. EARNSCLIFFE LINEN BOND is a paper with personality. Its texture and impressive finish lend it prestige . . . its high grade *rag-content* ensures an efficiency — a durability well beyond the usual requirements. An excellent letter paper, it is also particularly suitable for Notes, Drafts, Contracts, Insurance Policies and other important forms and documents. Specify Earnscliffe to your printer in your next letter head or stationery order.

Made in white and 8 business-like colours

ROLLAND PAPER COMPANY LIMITED

High Grade Paper Makers Since 1882

MONTREAL

This watermark identifies Superfine Linen Record, Rolland Antique, Earnscliffe Linen Bond, Colonial Bond, Mount Royal Bond, Service Bond, Rockland Bond, and other fine papers.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Position Wanted

SCOTCHMAN, MARRIED, WISHES position bookkeeper, stenographer or private secretary. Has had twenty years' experience including ten years saw mill office, banking and other office work. Will accept small commencing salary and go anywhere. Is strictly sober and not afraid of hard work. Apply Box 264, The Financial Post, Toronto, Ont.

Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

Meetings Reported

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to ensure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

DIVIDEND NOTICES

The Steel Company of Canada, Limited

PREFERENCE DIVIDEND NO. 91

Notice is hereby given that a dividend of forty-three and three quarters cents (43¾c.) on the new Preference Shares of the Company has been declared for the quarter ending March 31st, 1934, payable May 1st, 1934, to shareholders of record at the close of business April 7th, 1934.

By Order of the Board,
H. S. ALEXANDER,
Secretary.

Hamilton, Ontario.
March 28, 1934.

The Steel Company of Canada, Limited

ORDINARY DIVIDEND NO. 69

Notice is hereby given that a dividend of thirty cents (30c.) on the new Ordinary Shares of the Company has been declared for the quarter ending March 31st, 1934, payable May 1st, 1934, to shareholders of record at the close of business April 7th, 1934.

By Order of the Board,
H. S. ALEXANDER,
Secretary.

Hamilton, Ontario.
March 28, 1934.

Belding-Corticelli Limited

DIVIDEND No. 32

Notice is hereby given that on the Common Stock of this Company, the Directors have declared a Quarterly Dividend of 1%, payable on the 1st day of May to Shareholders of record at the close of business the 14th day of April, 1934.

By Order of the Board,
D. F. POLLOCK,
Secretary.

Montreal Tramways Company

DIVIDEND NOTICE

Notice is hereby given that a dividend of TWO DOLLARS AND TWENTY-FIVE CENTS ($2.25) per share, for the quarter ending March 31st, 1934, has been declared upon the paid-in Capital Stock of the Company, to shareholders of record on Thursday, the 5th day of April, 1934, at 4 o'clock p.m. and payable on Saturday, the 14th day of April, 1934.

By order of the Board.
PATRICK DUBEE,
Secretary-Treasurer.
March 19th, 1934.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 252
EXTRA DIVIDEND NUMBER 11

A regular dividend of 1%, and an extra dividend of 1%, making 2% in all, have been declared on the Capital Stock of the Company, payable on the 23rd day of April, 1934, to shareholders of record at the close of business on the 6th day of April, 1934.

Dated the 29th day of March, 1934.
I. McIVOR,
Assistant-Treasurer.

Canadian Bronze Company Limited

Dividend Notice

THE quarterly dividend of 1¾%, on the PREFERRED STOCK of the CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of May, 1934, to Stockholders of record as of the 20th day of April, 1934.

Also a quarterly Dividend of Fifteen (15c) Cents per Share has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending April 30th, 1934. Payable the 1st day of May, 1934, to Stockholders of record as of the 20th day of April, 1934.

By Order of the Board,
W. C. PAQUETTE,
Secretary.

Montreal, P.Q.,
March 29th, 1934

DIVIDEND NOTICES

POWER CORPORATION OF CANADA LIMITED

Second Preferred Dividend No. 27

NOTICE is hereby given that a dividend of one and one-half per cent (75 cents per share) being at the rate of 6% per annum, has been declared on the 6% Non-Cumulative Participating Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending March 31st, 1934, payable April 16th, 1934, to shareholders of record at the close of business March 31st, 1934.

By order of the Board,
L. C. HASKELL, Secretary.
Montreal, March 23rd, 1934.

United Gold Equities of Canada, Limited

Notice is hereby given that the Board of Directors has declared a dividend of 2½ cents per share, payable on all the outstanding shares of the Company on April 20th, to shareholders of record April 10th, 1934.

Frank H. Skelton,
Secretary-Treasurer.

Associated Breweries of Canada Limited

NOTICE TO SHAREHOLDERS

The Sixth Annual General Meeting of the Shareholders of this Company will be held on Tuesday, the 24th day of April, A. D. 1934, at the hour of eleven (11) o'clock in the forenoon, at the Head Office of the Company, in the City of Calgary, in the Province of Alberta, to receive the Annual Report of the Directors, Balance Sheet, Statement and Report of the Company's Auditors; to elect Directors for the ensuing year; to appoint an Auditor and fix his remuneration for the ensuing year and to transact such general business of the Company as may properly come before the Meeting.

The Common Stock Transfer Books will be closed at Montreal and Calgary at 1.00 p.m. on Saturday, the 31st day of March, A. D. 1934, and will be reopened on Wednesday, the 25th day of April, A. D. 1934.

By Order of the Board,
J. G. WALFORD,
Secretary.
Calgary, March 24th, 1934.

NOTICES

The Ontario Municipal Board

Notice is hereby given that the Municipality of the Town of Pembroke has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the Twentieth Day of March, 1934, and from and after the first publication of this Notice in the "Ontario Gazette" all actions or proceedings against the said Municipality are stayed, and thereafter no action or other proceedings against the said Municipality shall be commenced or continued, nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this Twentieth Day of March, A.D. 1934.

H. C. SMALL,
Secretary,
The Ontario Municipal Board.

CHICAGO BROKERS FEAR RESTRICTION OF NEW CODE LAW

From Our Own Correspondent

WINNIPEG.—Nervousness is being expressed in Chicago as to the effect that new regulations may have on the volume of transactions in the grain market, and consequently the ability of the market to sustain prices when the new crop begins to move. One of these in particular is that which would impose a margin requirement of ten per cent on all grain futures transactions. The small speculator or trader will not be affected, as his brokers already require him to put up margin. But a great volume of transactions is handled for institutions and individuals with established credit, who, although they are accustomed to keep their sales or purchases margined to the close of the market every day, are not required by their brokers to put up additional margin.

The situation is entirely different in grain than with the purchase of stocks on margin. When stocks are purchased the full purchase and whatever is not put up by the buyer has to be borrowed by the broker. But a transaction in wheat futures does not involve the present transfer of property in wheat. It is merely an undertaking to buy or sell wheat at some specified time in the future, and the broker has no particular need or use for margin advanced by his customer except to provide assurance against loss.

Tying Up Funds

If a country elevator company selling grain in its possession for future delivery, and a mill making an equivalent purchase at the same time were each required to put up a margin of 10 per cent, it would mean tying up 20 per cent of the cost of grain in bank accounts of brokers, to no particular purpose. Should the money be required to be passed on to the clearing house it would mean that the body in question instead of the brokers would be carrying a large bank account for which it has no need.

NOTICE

To Canadian Policyholders of the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A.

On June 1, 1933, the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A., reinsured, with the Indemnity Insurance Company of North America, Philadelphia, Pennsylvania, U. S. A., all of its unexpired policies, outstanding obligations and liabilities. On June 16, 1934, application will be made to the Minister of Finance for the release of its securities deposited and now held by the Receiver General and any Canadian Policyholders opposing such release should file their opposition with the Minister of Finance on or before that date.

ALLIANCE CASUALTY COMPANY,
FRANK A. EGER,
Secretary.

CANADIAN GENERAL INVESTMENTS LIMITED

Dividend Notice

NOTICE is hereby given that a dividend of Seven and one-half Cents (7½c) plus an extra dividend of Two and one-half Cents (2½c) per share on the paid-up capital stock of the Company has been declared for the quarter ending March 31, 1934, payable April 16, 1934, to shareholders of record March 31, 1934.

SHARE WARRANT holders will present Coupon No. 23 at the Main Office of the Bank of Montreal in Victoria, Vancouver, Calgary, Edmonton, Winnipeg, Montreal, Halifax, St John, or at the King and Yonge Streets Branch, Toronto, where payment will be made at par.

By order of the Board.
E. M. STRAIN, Secretary.

Grain and Milling in Canada

Wheat

From Our Grain Correspondent

Rome Meeting Important

WINNIPEG. — Export wheat trade was interrupted during the past week by the Easter holidays, observed abroad to a greater extent than in Canada, and new market forces have been difficult to trace. The meeting of the International wheat committee at Rome is arousing some interest, not only because out of it may come some new scheme designed to advance wheat prices, but also because some clearer definition of policy on the part of both Russia and of the Argentine may emerge. Australia's lack of interest in the situation is taken as indicating a belief that wheat acreage there is likely to be cut down by natural causes, and by the cessation of government subsidies this year to a point where Australia is not likely to be concerned with further restrictions.

If the Argentine is going to abide by the terms of the London wheat agreement as understood in other countries she must shortly cease shipping wheat to other countries than Brazil, in order to allow her to fill the weekly needs of the latter country and still keep within the assigned quota. If that is done it should mean an increased demand for Canadian wheat, but overseas buyers seem to be in no great hurry to commit themselves to purchases based on that assumption.

* * *

Smaller European Crop?

POSSIBILITIES of a decided drop in European wheat production as compared with the extraordinarily heavy crop of last year are still in the minds of overseas traders. Some reduction of acreage and some winter damage are established, but the critical point so far as total wheat production in Europe is concerned is agreed to be the weather that may prevail at harvest time.

Observers abroad are paying close attention to the progress of the United States winter wheat crop. If it should be established that during another year the United States is likely to make no substantial contribution to wheat export trade it might be a bullish influence of importance. In spite of the fact that for a long period the markets in that country have held wheat prices above market levels, thus effectually shutting off European access to markets there, there has been a continued tendency in all European comment to treat the stocks of wheat in the United States as if they formed part of the effective reserves available for foreign markets.

* * *

Vancouver's Anniversary

TWENTY-FIFTH anniversary of the first dispatch of grain from the port of Vancouver, B.C., was celebrated recently on the floor of the grain exchange.

At the close of the morning session the trading bell was rung and John Whittle, president of the exchange, recalled the details of the pioneer shipment and wondered humorously how many grain men would have the temerity to be still in the business a quarter of a century from now.

It was on March 9, 1909, that the first commercial shipment of wheat was sent from Vancouver. It consisted of 60,000 bus. of red winter wheat bought by Rudolph Bros., of Manchester, Eng., from the Alberta Pacific Grain Co. It was shipped on the French steamer Admiral Duperre and was carried at a rate of $4.50 a ton.

REDUCED ACREAGE BY LACK OF SEED APPEARS CERTAIN

Saskatchewan in Worst Position — Free Seed Limited

From Our Own Correspondent

WINNIPEG. — Shortage of seed on a considerable number of Western farms, in spite of the great surplus of wheat in Canada, is likely to be an important limiting factor in wheat acreage this year, and in Saskatchewan more than in other provinces. It was formerly the custom for mortgage companies and other creditors to advance seed to farmers who might find themselves short of necessary supplies. Almost universally that practice has been dropped and a farmer who is without sufficient seed will have to depend upon government advances.

In Saskatchewan the provincial relief commission is arranging to supply several million bushels of seed, both wheat and coarse grains to farmers. But the quantity of wheat that will be advanced to any one farmer is limited to 300 acres. That is sufficient to take care of the needs of a half section farmer, as it is sufficient to seed 200 acres, and perhaps of the majority of section farmers who might need help. But some larger operators who have suffered from drought in recent years will require to cut down.

Restrict Seed Distribution

In addition to the absolute limitation on quantity the relief commission will supply seed only for land that was summer-fallowed during last year, and no seed wheat will be made available for land on which a crop was produced or attempted last year. That provision is expected to force into summer-fallow this year a considerable acreage of land on which wheat would otherwise have been seeded, had seed been available.

The restrictions in question are partly based on a feeling that the scale of relief expenditures in the province must be cut down, and partly on a desire to effect some reduction in wheat acreage so it will be unnecessary to enforce other limitations. But it is also connected with the campaign against grasshoppers, the eggs of which are found in greater abundance in land which produced grass or crops last year than that which was summer-fallowed. To combat them effectively this year it is considered essential to keep the worst affected land bare of growing crops.

PLAN NEW GRADE ON GARNET WHEAT, AMEND GRAIN ACT

Ottawa Expects Legislation to be Brought Down This Session

From Our Own Correspondent

OTTAWA.—It is understood that the government has definitely determined that the Canada Grain Act is to be amended at this session of Parliament to provide for the separate grading of Garnet wheat. At present there are no Garnet grades, but wheat containing Garnet is excluded from No. 1 hard and No. 1 northern, while allowed to be graded No. 2 northern, or lower. The present plan is to exclude it from No. 2 northern, and allow it into No. 3 northern and lower, while at the same time two new grades, to be called No. 1 Garnet and No. 2 Garnet are to be provided.

It is expected that these grades will sell at a discount from the corresponding grades made up of Marquis wheat or wheat equivalent in quality to Marquis. Whether to make the amended grading effective with the production of this year's crop, or to give an extra year's notice of the change has not yet been determined.

Complications are caused by the fact that perhaps 50,000,000 bushels of grain currently in store are either Garnet wheat or an admixture of Garnet and Marquis, and to establish a lower grade on such wheat than the grade given to farmers when it was taken in is to establish a loss which will have to be borne by some one. It is assumed that the government might decide to have all this wheat taken over by Mr. McFarland, and any loss through change in grading assimilated with the cost of the government's guarantees of market stabilization operations.

Another difficulty is the fact that customs abroad accustomed to the official grade names in use for a long period of years, may have some reluctance about buying wheat under new grade names, and perhaps a period of notice should be established in order to make prospective buyers thoroughly familiar with what they may expect to get under such new names.

Want Farmers to Change

Concurrently with the new grading the government plans a campaign to persuade farmers in the northern part of the three prairie provinces to substitute some other wheat in their seeding. Garnet, coming to maturity some ten days earlier than Marquis wheat, is a favorite wheat with farmers in the north, as it is more likely to escape frost and give larger yields than Marquis.

They have consequently kept on growing it in spite of complaints that it is sufficiently different in character from Marquis to create some difficulties in milling along with Marquis, and that it produces flour of a slightly yellowish tint. It is now believed, however, that the department of agriculture can recommend some substitute varieties which will equal Garnet in yield and earliness, and at the same time correspond with Marquis wheat in milling qualities.

West Formerly Opposed

Western members of Parliament from the northern districts have in the past opposed the establishment of separate grades for Garnet wheat, on the ground that the interests of the farmers in their constituencies would be discriminated against. The government, however, now regards as conclusive evidence that admixture of Garnet and Marquis wheat is damaging to the reputation of Canadian wheat, and are determined to make the change at the earliest possible moment.

Key Facts About Wheat

	Total (bu.)	Previous Week (bu.)	Same Week Year Ago (bu.)
Canadian Wheat in Store:			
Fort William, Mar. 30	71,921,021	71,398,971	69,963,711
Country elevators, Mar 23	104,104,503	104,688,921	109,153,697
Total, all points, Mar. 23	225,350,769	225,933,316	225,225,060
Visible Stocks: (Mar. 19)			
Canadian	110,507,000	111,159,000	107,496,000
Argentine	17,635,000	17,268,000	12,054,000
United States	92,643,000	94,908,000	135,922,000
Australian	99,000,000	101,000,000	111,000,000
World Shipments, incl. flour, weeks ended			
North American, Apr. 2	3,542,000	3,302,000	4,739,000
Argentine, Mar. 26	3,963,000	4,787,000	4,200,000
Black Sea*, Mar. 26	200,000	....	....
Australian, Mar. 26	1,099,000	1,825,000	3,882,000
Total, world, Mar. 26	9,568,000	11,305,000	13,063,000
World Wheat on Passage, Mar. 24	37,324,000	40,976,000	56,000,000
Canadian Marketings and Exports:			
Canadian exports, (Mar. 23)	1,837,619	1,866,000	2,694,380
Cumulative to Mar. 23 (34 weeks)	107,154,872	105,317,253	161,479,857
Prairie marketings, D.B.S. (Mar. 15)	2,052,549	2,226,768	5,508,652
Cumulative to Mar. 16 (33 weeks)	184,502,387	182,449,838	310,328,745
Country deliveries, Mar. 30‡	1,607,000	1,768,000	4,413,000
Country loadings, Mar. 30‡	1,537,024	2,141,927	4,075,736

*Includes South Russia. †Excluding flour. ‡Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to April 3, 1934

Crop year from Aug. 1, 1933 High	Low		Open Mar. 28	High for week	Low for week	Close Apr. 3
		Wheat				
.95	.59¼	May	.67⅝	.68⅛	.67⅜	.67⅞
.71½	.62¼	July	.68⅝	.69⅝	.68⅝	.69⅛
.71¼	.70¼	Oct.	..	.71¼	.70⅛	.70¼
		Oats				
.48½	.29½	May	.34⅝	.35	.34½	.34⅞
.38⅝	.32½	July	.35⅝	.35½	.35¼	.35½
.36¼	.35⅞	Oct.	..	.36¼	.35⅞	.36⅛
		Barley				
.59⅝	.32½	May	.40⅞	.41	.40⅝	.40½
.44⅝	.36½	July	.41⅝	.42	.41⅝	.41½
.43⅛	.42½	Oct.	..	.43⅛	.42½	.42⅞
		Flax				
1.71½	1.15	May	1.48⅝	1.55¼	1.48⅝	1.54⅝
1.58	1.39½	July	1.49	1.54½	1.49	1.54
1.55	1.52	Oct.	..	1.55	1.52	1.53¾
		Rye				
.68½	.39¼	May	[illegible]	[illegible]	[illegible]	[illegible]
.58⅛	.43⅝	July	.48	.49⅝	.47⅞	.49¼

Many Wheat Facts Culled from Hansard

Evidence Presented Places Wheat as Canada's Chief Single Problem — History of Government's Market Operations Revealed

From Our Own Correspondent

OTTAWA. — Canada's wheat problem, from its birth in 1929 until the present time, has been fully disclosed in the evidence to the Banking Committee by John I. McFarland and in statements made in parliament by Premier R. B. Bennett.

The vital parts in the wheat puzzle are not given in chronological sequence, but a careful analysis of the various Hansards discloses the following facts:

Government Hold 185,000,000 Bu.

The Dominion Government, through Mr. McFarland, now holds in round numbers, 185 million bushels of wheat out of a visible supply of 225 million bushels. This wheat has cost Mr. McFarland a fraction over 72 cents per bushel and the carrying charges are 10 cents per bushel per year.

The gradual evolution of wheat stabilization policy is now a simple story. Today with Federal commitments running to $133,000,000 and the treasury liable to a loss, even if all the wheat could be sold at current prices, of some $13,000,000 it emerges plainly that wheat constitutes the greatest single problem confronting the country.

McFarland Impressive

When John I. McFarland appeared before the Commons Banking Committee, the members declined to permit him to divulge, officially, the present position of the stabilization operations. This was, perhaps, the greatest tribute ever paid to a business man in Canada. After giving evidence for several hours Mr. McFarland created so favorable an impression that committeemen, regardless of party, were prepared to waive their questions rather than prejudice his operations.

Mr. McFarland did not decline to give information. On the contrary he told the committee he had all the relevant facts at his finger tips and was prepared to answer all questions. The committee not only did not require him to give the information, but instructed him not to do so.

Mr. McFarland, incidentally, is acting as general manager of the central selling agency of the now defunct wheat pools without salary.

Problem Began in 1929

Canada's wheat problem began to take form in 1929 when the wheat pools adopted the policy of holding their wheat rather than of selling on a falling market. At the close of 1929 the pools were still holding a considerable portion of the 1928 crop, as well as a large part of the crop of 1929 and early in 1930 the price fell so steeply as to endanger the advances made by the banks. These advances, it will be recalled, were to enable the pools to make interim payments to farmers.

The normal procedure would have been for the banks to have forced liquidation but the effect upon the wheat market might have been disastrous so the three Prairie Provinces supported the existing position by guaranteeing the banks against loss. By the late fall of 1930 the financial strength of the provinces was unequal to the strain and on November 30 Mr. McFarland was appointed head of the central selling agency and the Federal Government shortly after took the place of the provinces as the guarantor of the banks.

Futures Only Held

There still remained unsold some of the 1928 crop, much of the 1929 crop and all of the 1930 crop. The first two crops were disposed of gradually and the provinces were found to be indebted to the banks to an amount well in excess of $20,000,000. This was the first serious Governmental loss arising out of the wheat problem.

Mr. McFarland took over on behalf of the Federal Government and early in 1931 converted all the physical wheat in possession of the agency into futures, thereby cutting carrying charges from 15 or 16 cents to 10 cents per bushel per year.

The first phase of the McFarland operations called for the gradual sale of the wheat surplus. The stabilization operations consisted in feeding wheat to the market in quantities which could be absorbed without breaking prices.

Stronger Method Tried

Late in 1932, however, Mr. McFarland foresaw that stronger measures would become necessary. The first of these, marking the second phase of his operations was to withhold sales. The wheat market reached a point where he could not feed it wheat any longer. Market needs were met by the ordinary grain trade which was still very much in the wheat picture.

Mr. McFarland had inherited wheat from three crops — 1928, 1929, 1930—and had not yet begun to add to his holdings. Thus the policy was developed of holding back the McFarland surplus while the trade marketed the 1931 crop.

The third phase came in 1932 when it became necessary, if the market was to be saved from collapse to buy additional wheat. This Mr. McFarland decided to do (with Government guarantees behind him) some time in June, 1932, and the operations reached a maximum in the hectic days of September, 1932, when wheat prices fell dizzily below 60 cents.

From McFarland's evidence it does not appear that the Government attempted to peg prices higher than 50 cents per bushel. But every effort was made to hold the market at this level.

Break Showed Weakness

The break to 38¾ cents occurred because of an unforeseen strain on Mr. McFarland's credit. As he explained, in his evidence, there has always been a definite limit placed upon his credit by the Federal Government. This limit was reached in his effort to hold the price at 50 cents per bushel. Despite his purchases, the price sagged to 44 cents and then Mr. McFarland ran out of funds and could no longer buy. He appealed for an extension of credit but before this could be arranged the market slumped to 38¾ cents per bushel. Mr. McFarland stated that selling of only 2,500,000 bushel of wheat caused the drop from 45 cents to 38⅝ cents.

What was actually taking place in the fall of 1932 was this: The western farmers were selling the 1932 crop. The price collapse was not due to pressure selling on world markets but to the fact that there was no export demand for the crop which had just been harvested. And Mr. McFarland, actually, was buying the 1932 crop. Western farmers probably thought they were selling their wheat to the trade in the usual way, but actually they were selling to the Government through its agent Mr. McFarland, and the real purchaser was the taxpayer.

In the upward flurry of the early summer of 1933, Mr. McFarland sold a large quantity of wheat but this wheat, later, was thrown on the market and he had to buy in about as much as he had sold.

Cannot Liquidate

So today, Mr. McFarland holds 185 million bushels at a net cost of 72 cents per bushel, and with carrying charges piling up at the rate of $1,540,000 per month. More than $130,000,000 is at stake and the statement that these wheat holdings if liquidated at the current price would involve the loss of only $13,000,000 is recognized at Ottawa as being of purely academic interest. The experience of September, 1932, when 2,500,000 bushels of wheat, thrown on the market, knocked the bottom out of it, is not likely to be forgotten. The important fact is that it is unlikely that the wheat could now be sold for the current price, or for anything resembling it. Liquidation, would probably force the market down to 30 cents per bushel, or even less.

Meantime the 1934 crop will go in the ground in the next six weeks. Of the 26 million acres sown to wheat last year, some 8 millions are badly infested with grasshoppers, and despite large scale governmental expenditures on poison bait, a small crop is looked for.

If the crop surprises the Government experts and turns out to be "average" or better, the Government, it is learned, will be compelled to adopt the last phase of the wheat stabilization policy. The position will be as follows:

Problem of Big Crop

With a huge carry-over already owned by the treasury and occupying about one half the total elevator capacity of Canada—418 million bushels—it would be impossible to handle the 1934 yield.

Moreover the Dominion is not likely to add greatly to its present large holdings of wheat, unless compelled to do so. Neither can the Dominion permit farmers to overload the market and wreck prices (presuming there is elevator capacity to handle their shipments this fall).

The fourth phase of the policy is to force farmers to hold a large part of their 1934 crop on the farm. The legislation of the three Prairie Province, if read closely, is designed to effect this purpose. And if this legislation proves non-enforceable, the Dominion, under the new marketing act, can create a National Wheat Board. As the only legal purchaser of wheat this board could compel farmers to hold their crop.

Little Interest Shown in Bills To Control Wheat

From Our Own Correspondent

WINNIPEG. — Passage of the wheat control bills by the three legislatures of the prairie provinces was assured from the time of their introduction. Although there has been opposition in each of the legislatures and a good deal of newspaper criticism has been expressed, the bills in question have aroused much less public interest, and particularly among farmers, than might have been expected. This appears to be from an expectation that they are not likely to be put into effect, and that natural limitations in wheat supplies will make it possible for the different governments to say that action contemplated has become unnecessary.

There appears to have been some misunderstanding between the prairie governments and Ottawa as to the appropriate procedure. It seems to have been thought that the emergency wheat legislation of the provinces would be supplemented by a bill in somewhat similar terms introduced at Ottawa, and each provincial bill provided for confirmation of a Dominion statute in so far as it might be beyond the competence of Parliament to enact.

It now appears, however, that no such Dominion act is to be passed, as Ottawa presumably has sufficient power under emergency powers for "peace, order and good government," to do whatever might be felt to be necessary toward the establishment of a wheat board should one be considered to be necessary. The prairie bills have accordingly been amended to eliminate the clause confirming Dominion legislation.

There has also been eliminated in Saskatchewan, and the other provinces are expected to follow, the clause which made any wheat Board if appointed, above the law, and immune from having its acts or orders questioned or restrained by any court.

Wm. Davies Co. Calls Bonds for Redemption May 1 at 104

William Davies Co., subsidiary of Canada Packers Ltd., has called for redemption at 104 on May 1, 1934, its entire outstanding issue of six per cent, first mortgage bonds, due 1942.

Principal and interest will be paid at the Cleveland Trust Co., Cleveland, O., in United States funds only, it is understood. At March 31, 1933, there was $1,500,000 of the bonds outstanding.

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Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Swarm of Tipsters Befuddle Investors

Many Pitfalls for Unwary Mines Speculators Found in Information and Advice Sheets — Usually Inspired by Unscrupulous Promoters from Across Border

Flooding the mails of anyone even remotely interested in the stock market these days, are pamphlets, "confidential" letters, and "bulletins," purporting to offer the recipient, at a nominal cost, inside information and expert advice on what stock to sell, what stocks to buy. In most cases the "editor" of the service is hidden under a cloak of intriguing mystery. All that you are permitted to know however, is that he is someone very close to a mythical inner circle of Big Businessmen, so close, that he is in a position to foretell what stocks are going up, and which are due for a plunge. And for a price he is prepared to sell this information to you. Sometimes these public spirited paragons will send you the information gratis.

That anyone who has sufficient intelligence to collect a little capital should be taken in by these lurid looking tipster sheets is incredible, but true. Otherwise, they would not exist in such numbers, nor for such extended periods. But the fact is that they are the inevitable camp followers of every boom. At the moment, they are living a parasitical existence on the gold mining boom.

"Here's Your Hat"

Unlike reputable investment journals, these noisy tipster sheets run no risks and require little or no capital to start publication. The unfortunate investor who falls a victim to their methods, has no redress, and will be lucky if he can even trace down those responsible for the publication.

The various government authorities have not sat quietly back and allowed these clamoring and irresponsible sheets to besiege the investor without putting up some opposition. There was a well-founded report around last week that nearly 50 high pressure promoters from across the border have been politely told by the department of immigration, (whose minister happens also to be Minister of Mines) *that* their stay in Canada had expired.

Whether or not this report is true, and there seems to be no reason to doubt it, the fact remains that many of these "dope sheets" are inspired by promoters of fly-by-night speculations from United States. The nominal charge made for the service, coupled with the fact that many of the most presumptuous are distributed free, indicates that not alone from circulation is the overhead paid, and profits made.

It must be admitted that many of the sheets are most convincing to the uninformed investor. Particularly is this true of mining investments. By a subtle use of technical terms, semi-official assays, backed by the psychological effect of their bright colors and "inner circle" phrasings, the sheets are most arresting. But it would be as well for the investor to fall back on the old rule of thumb, which applies as well to the race track as to the stock exchange, "Beware of tips." Human nature is unfortunately such that profitable information is seldom distributed without due recompense. It is not usual to see a chicken summon his confreres to share a succulent worm.

A typical example of how these mushroom companies work has just come to hand. A subscriber to one of these information services, with headquarters in Toronto, wrote and asked for information concerning some of the best known industrials. Each one of these stocks would take several pages for an intelligent analysis.

But this dauntless counsel dismissed the industrials with two or three lines, advising to sell or not to sell but giving no reason for so advising. Then, casually, he says:

Subtle Tactics

"There is a new offering coming on the market next week which will be a real bargain, it is ——— Mines being offered at ——— a share. This company has developed a mine to the ——ft. level and is adequately financed for development down to the ——ft. level. Developments so far accomplished indicate that a mill will be warranted within a few months time. Marketwise and minewise shares of this company are attractive and the stock could easily sell up to $1.00. I recommend the purchase of it at the market. If you would like us to buy some of these shares for you please advise us to that effect upon receipt of this letter, otherwise you may have to pay higher prices for your shares."

This little bit of high pressure sales talk is sandwiched in between solicited information about industrial stocks. The tipster can hardly blame one for suspecting the proferred information was inspired by some motive other than merely sharing a bit of good news.

Just as at Epsom Downs or Ascot race track tipsters dress themselves in the discarded and faded silks of broken down jockeys, so do these market tipsters, by appropriating to their pet promotions names well known in the mining world, seek to create the illusion that they themselves are big speculators, or connected with well-established corporations. But it is logical to suppose that were they so situated, it would hardly be worth their while to peddle information at such nominal rates.

Many Sound Sources

What makes the existence of these tipster sheets still more fantastic, is the fact that investors have ample opportunity of getting sound, unbiased information about mines from a hundred and one well established sources, such as the various provincial mines departments, and reputable financial organs and established financial houses, which maintain a statistical department. True, investors will find such authorities slow to assume the role of seer, and predict whether a stock is going up or down. All they can do is give the facts; present prospects and past record, which is guidance enough for any sane investor.

Another blatant flaw in the worthwhileness of these mushroom information services, which utilize radio and the mail, is that their information and advice is based on the premise that all investors belong to the same category; that what is a good investment for Mrs. Doe, a widow, seeking a small but sure income for life, is necessarily a sound investment for Mr. Blank, who wants a quick turnover, and can afford to take a chance.

In a class entirely divorced from these inspired dopester sheets are the circulars sent out by reputable and long established bond and brokerage houses, to their regular customers. These house organs claim only to give the gossip of the exchanges, and seldom predict the future action of stocks. If they are promoting a certain stock issue, promotion is carried on in plain, unvarnished advertisements, and not under the guise of unbiased information.

During booms such as at present being enjoyed by gold stocks, investors should be doubly solicitous to gain exhaustive information about stocks they plan to buy, as mushroom promotions and nefarious promoters are in their hey-dey during such periods.

Enquiries

Winnipeg Electric

I am a holder of preference stock in Winnipeg Electric Company. I have not received any dividends for about two years and understand the company is having considerable local difficulties. I suppose it is impossible to tell the outcome of municipal controversy where franchises and theories of public ownership are involved but I would like to know whether or not the company has a strong position from the standpoint of financial integrity. In other words, is the preference stock free from any suspicion of having contributed nothing to the advancement of the street railway? If preference money was actually expended to advance the interests of the street railway company, it seems to me that is a strong point in connection with any arrangements that have to be made in the future.

Winnipeg Electric Company's "Public Service News" gives what may be considered the official answer to your question in the following excerpt:—

"The equipment and plant of the railway was paid for by money contributed by the common shareholders and by cash borrowed in the way of bonds. Not a cent of principal has ever been repaid on either the bonds or the common stock (except a small sinking fund set aside in connection with the bonds). As late as 1928 and 1929 the common shareholders put into this company in cash $5,000,000 and the preference shareholders did likewise. Of course, all of it did not go into the railway but a considerable portion of it did. Now, the common shareholders received no dividends in the years 1916, 1917, 1918, 1919, 1920, 1921, 1922 and 1923; they received 1 per cent in 1924; 2 per cent in 1925; 2 per cent in 1926; 2 per cent in 1927; 2 per cent in 1928; 2 per cent in 1929; 1 per cent in 1930; none in 1931, 1932 and 1933."

Brewing Corporation

Will you be so kind as to favor me with your opinion on the future of Brewing Corporation of Canada common stock: (a) for dividends; and (b) for a rise in value?

Earnings of Brewing Corp. of Canada are proving little more than enough to pay the company's operating expenses and the heavy taxation imposed on all alcoholic products. The chances for dividends lie in the fact that the Ontario Legislature has just accepted the government policy to make beer sales freer by extending sales to hotels and restaurants. At present beer has to be bought at government liquor stores by holders of permits who have to call for their beer personally, and it is claimed that this operates substantially to prevent sales of beer as compared with sales of spirits.

At the same time through a system of licensing by the Dominion government, the manufacture of home brew in the homes of the province has increased to such an extent that it has interfered substantially with the revenue received by the province on beer consumption. Principals of Brewing Corp. of Canada believe that instead of 20 per cent of capacity production in Ontario, it is possible to have several times that under the new regime. Price of beer may be stepped down in order to stimulate consumption, and it is hoped, by making it easy for the purchaser to get it, that consumption will once again approach per capita what it was before the War. The hopes in this connection have resulted in shares selling for much more than actual earnings alone would justify.

The new legislation will not be put into effect until after the Provincial elections which will occur some time next summer. Some prophesy the election will occur in June. In other words, the legislation has been passed, and by going to the people of Ontario, the government is practically asking the public to approve of the legislation. However, it is freely stated in some quarters that even if the opposition should gain the victory, the legislation would probably be made effective in any case. That, of course, can only be shown by the actual event.

Dairy Corp. Debentures

I am holding Class A debentures of Dairy Corporation. I was told company is reorganizing. How will this affect my shares? What is your opinion with regard to this company's prospects?

Apparently the only alternative to the present or some similar Dairy Corp. reorganization plan, so far as the Class "A" Debentures are concerned, is for the debentures to take over the whole thing. The reorganization plan is intended to give the preferred and common stock some chance of sharing in any future improvement that might occur. As it preserves the relative position of the Class "A" debentures and as the preferred and common shares could not hope to get anything without making the senior interest more valuable, there is apparently no reason why Class "A" debentures should oppose it. In fact, there might be an advantage in keeping the present company and its organization intact.

Deposit Certificates

Can you tell me what are the rights of a certificate of deposit? I recently deposited a bond with a protective committee and they sent me one of these certificates. Are they negotiable? And have they the same rights as the regular bonds?

A certificate of deposit is a legal document showing that the holder has deposited a bond or other security with a depository or trustee. These certificates, as a rule, are negotiable, and have a value approximating that of bonds not deposited. The difference in price is usually due to the fact that the deposited bond has a contingent liability in respect to the expenses of the committee. Otherwise the certificate carries all the rights of the regular bonds.

Fraser Cos.

Would you be good enough to let me know whether or not Fraser Companies will pay interest on their bonds on July 1 next?

Fraser Companies is not bound to pay interest due on July 1, 1934. Under the terms of the reorganization plan, the company is permitted to pass its interest payment due on July 1 without going into default. If the payment is not made then, the interest will be payable in five annual installments beginning July 1, 1939. Bondholders have the right, on or before September 1, 1934, to apply for and receive common stock in lieu of this year's interest at the rate of five shares per $1,000 bond. The fourth year's interest is also subject to similar terms, and, should the company fail to pay the July 1, 1935, interest, payments are to begin on July 1, 1940.

So far the management has not intimated its intention in respect to the July 1 interest payment. Prospects are that the company will continue to conserve its liquid resources and take advantage of the terms of the reorganization plan by deferring interest payment until such time as the company's working capital position is on a stronger basis.

Canada Steamships

Do you think Canada Steamship Lines will pay a dividend on its capital stock? I notice that the stock is selling at a very low price.

There is little hope of Canada Steamship Lines paying a dividend on its present capital stock. This company has defaulted on its general mortgage bonds and at present a bondholders' protective committee is investigating affairs of the company with a view to arriving at a plan for strengthening the position of the company. Expectations are that the readjustment will involve some sacrifices on the part of the preferred and common stockholders, though just what action will be taken along these lines will not be known until the bondholders' protective committee issues its report.

Canadian Car

I would appreciate your opinion on the likelihood of Canadian Car Co. resuming dividends on its common stock. What are the prospects for additional business?

Prospects of the Canadian Car and Foundry Co. resuming dividends in the near future do not appear promising. The amount of business available to this company over the last two years has been of limited proportions and the last annual report indicated insufficient earnings to take care of dividends on either the preferred or common stocks. As most of this company's business comes from either the Canadian National or Canadian Pacific Railways, a pick-up in earnings will depend upon the re-entry of those two buyers into the market for new railway rolling stock equipment. The finances of both railways do not permit any extensive buying of equipment though it is possible that orders may be placed as unemployment relief measures. This might be done with the co-operation of the Dominion Government.

Fairbanks-Morse

It would be appreciated if you could let me have a report on Canadian Fairbanks-Morse, in which company I hold a few shares of preferred stock.

Canadian Fairbanks-Morse annual statement for 1933, indicated another operating deficit. The report pointed out that during the first six months of the year, sales did not show any improvement, but in the last three months there was a slow but steady pick-up. The business of this company, like a great many others in the supply field, depends upon more active conditions. Certain industries are supplying the company with increased business, but, taken as a whole, there is room for improvement. The financial position of the company, on the other hand, continues satisfactory. Working capital is ample, while the company has no funded debt obligations to worry about. The preferred stock is the ranking security and naturally will be the first to benefit from a pick-up in business.

Railway Exchange

Is there any likelihood of the Railway Exchange Building paying interest on its bonds? I would like to know if there has been an improvement in rentals and how the company's finances are shaping up.

The position of the Railway Exchange Building, in common with other real estate enterprises in the City of Montreal, is not altogether satisfactory. There is an excess of office space and a decline in rentals has made it difficult for this type of company to carry on. At the end of the first six months of the current fiscal year ended April, the company reported rentals of about 62 per cent of available space. Earnings during the half year were applied to reduction of tax arrears and other current liabilities. Interest on the first mortgage bonds was not earned and until there is an increase in rentals, it is unlikely that the management will be able to do anything in the way of covering this obligation in respect to the first mortgage bonds.

Montreal's Finances

As we have some city of Montreal bonds, and notice press comment on the city's financial problems, we would like to have your opinion on the present position as well as the immediate financial future of the city.

Montreal's outgoing council has refused to budget for a surplus. Banks, therefore, have threatened to withhold further credit in connection with 1934 financing. In this crisis, various civic bodies asked the Quebec Government to place the city under commission rule. This has not yet been done. However, the special dispensation granted to the Montreal area in 1932, exempting it from control of the Quebec Municipal Commission for two years, expires on May 1. It appears that when the city's April election is over, the provincial commission may take an active interest in the city's affairs. This interest, when taken, is more than a gesture, and may result in improved methods of civic finance.

Montreal's fiscal year closes April 30, so that tax arrears at Dec. 31 are probably misleading. They are heavy, however. We understand that the city has an antiquated system of tax collection and that finances could probably be materially improved by its revision along modern lines. Also Montreal does not levy a civic income tax, which could probably be invoked in an emergency to help finances. The accounting system is also out of date, we are informed, leading to confusion of sinking funds against various issues.

Montreal's financial position cannot be glossed over. It needs early adjustment, and re-establishment of amicable banking relationships, if embarrassment is to be avoided. That is the present position. It is hoped that when the election clears away, some improvement will be effected with the co-operation of provincial authorities.

Windsor, E. & L. S. Ry.

Any information you could give me regarding the position of Windsor, Essex and Lake Shore Railway bonds would be appreciated.

Plans are under way to survey the whole Windsor, Essex and Lake Shore Railway situation. Proposals have been made that loans be refunded at lower rates of interest and longer term maturities. It is this suggestion that is to be investigated.

The railway bonds are secured by deposit of debentures of a number of border cities municipalities of which Windsor is the largest. Larger municipalities liable for payments to the railway, which would allow payment of the railway bonds, are in default of both principal and interest. And some of the smaller municipalities are in no position to bear the whole load, although a few are paying their full share.

The position of the railway, in brief, depends on the position of the defaulting municipalities. It will take some time before the railway's affairs, and the liability of the several municipalities can be determined. Windsor may be able to pay some interest on its bonds this year. But it appears that a widespread reorganization of payments and the railway's capitalization may eventually develop.

Beauharnois Light, Heat and Power Company

5½% First Mortgage Bond
Series "A"

Due January 1, 1973

PRICE: 95.50 and interest, to yield 5.79%

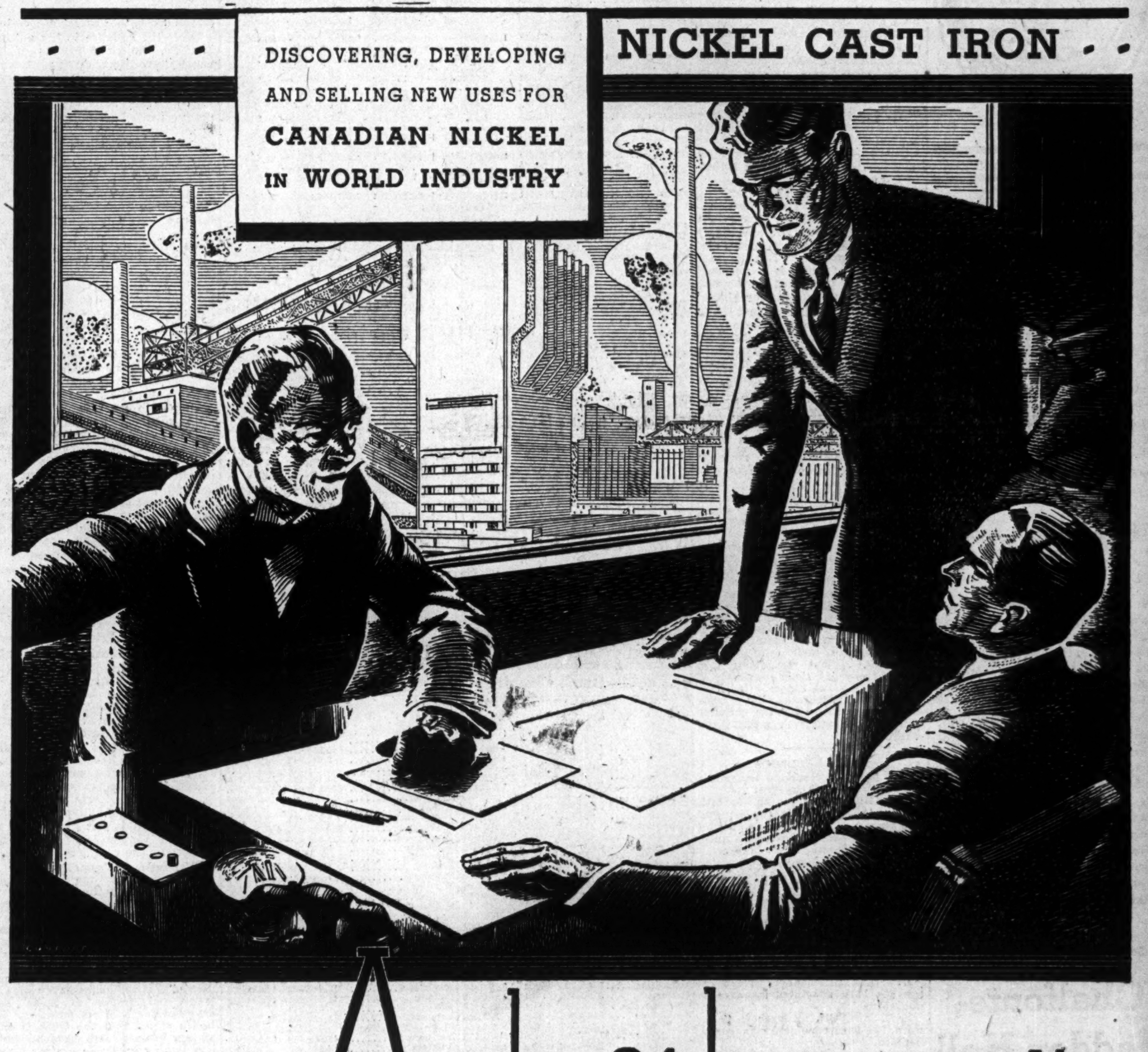
The Company's plant has been in successful operation since October 1, 1932.

Earnings, before depreciation, available for bond interest for 1935 are estimated at $2,737,000.—more than $500,000. in excess of interest requirements on these first mortgage bonds.

With increased deliveries of power under the company's long-term contracts with Montreal Light, Heat and Power Consolidated and The Hydro-Electric Power Commission of Ontario, the surplus earnings over first mortgage bond interest requirements will, it is estimated, show further substantial increases.

Descriptive circular available upon request.

DOMINION SECURITIES
CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto


DISCOVERING, DEVELOPING AND SELLING NEW USES FOR CANADIAN NICKEL IN WORLD INDUSTRY
NICKEL CAST IRON . .

Another 24 hours wasted!

Something must be done to stop this loss of Production

ANOTHER BREAKDOWN! Another one of those periodic failures of the cast iron stoker links in a prominent steel plant! And each time it required 24 hours to replace them.

Something had to be done.

Fortunately one of our technical staff was able to offer the solution—the addition of a small quantity of Nickel and chromium to the cast iron. The life of the links was thus increased from 250 hours to 3,000 hours.

And so another industrial customer for Nickel was gained through service and co-operation.

This actual incident, one of thousands, is typical of the way in which the increased use of Nickel and Monel Metal in industry is being brought about.

For uses for Nickel do not arise of themselves; they have to be developed, step by step, through constant experiment and research. The valuable properties of Nickel alone or in combination with other metals have to be conclusively demonstrated.

The accumulated results of years of experiments carried on in our several research laboratories — industrial, chemical and testing — and the wide experience of our vast technical sales organization operating in all industrial countries of the world are constantly made available to industry.

The chief problem of Nickel today is sales. And sales can only be maintained and increased by continuously working to discover new uses and applications for Nickel and its alloys, and co-operating with world industry in their development and use.

MONEL METAL NICKEL

"THE STORY OF NICKEL" an interesting booklet dealing with the history and development of Nickel, may be had without charge by writing to the Company at 25 King Street West, Toronto.

THE INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED

ROYAL BANK OF SCOTLAND

(Incorporated by Royal Charter, 1727)

Capital (fully paid) £ 3,780,192
Reserve Fund ..... £ 3,780,926
Deposits £59,257,330

General Manager
William Whyte

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The ramifications of the Bank throughout Great Britain and the entire World enable it to handle every description of British, Colonial and Foreign Banking business.

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St. Coeur-de-Marie Can't Pay Anything on Debts Now

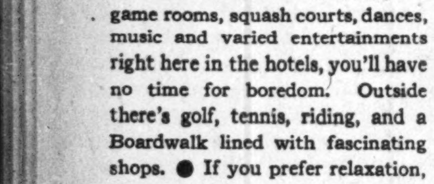
Village of St. Coeur-de-Marie, Que., is in no position to make any payment to its creditors, at present, the Quebec Municipal Commission reports.

The majority of the population is living on direct relief, it is stated in connection with issue of a statement of finances as at December 31, 1933.

THERE ARE
Join the Ely circle
ADVANTAGES

OUR
Spring Song
IS A **Surf Song**

With our lazy Sun Decks as first balcony, the sea for a stage, and a backdrop of clear, blue sky, the breakers are putting on a continuous show for all our spring guests. To everyone attending the performance we offer a complete program for a sparkling spring holiday.



● With the beach at our door, and game rooms, squash courts, dances, music and varied entertainments right here in the hotels, you'll have no time for boredom. Outside there's golf, tennis, riding, and a Boardwalk lined with fascinating shops. ● If you prefer relaxation, we know of no pleasanter ways to find it than basking in the salted sunshine on our broad Ocean Decks, effacing fatigue in our modern health baths, or sinking into profound sleep at night to the slow rhythm of the sounding surf. . . . And our chef has a way with food that is wonderfully refreshing. ● Write for reservations. Moderate rates. American and European plans.

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TOBACCOS
"Scotland's Best"

Mere adjectives will not do justice to this famous tobacco which is recognized by connoisseurs as the *world's finest.* JOHN COTTON'S secret process of blending can not be equalled and makes it the friendliest, smoothest, mellowest tobacco you ever smoked.

In three strengths—
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½ Ounce Tin - 25c
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Bank Chat on Current Topics

Call Loans Are Restricted

RESTRICTIONS imposed by the Fletcher Rayburn bill for the regulation of stock exchanges in the United States may very well have several repercussions affecting Canadians and particularly Canadian banks. In its amended form the bill will apparently permit the Canadian banks to loan money on call in New York through a member bank of the Federal Reserve System. While this provision is more liberal than that of the first draft of the bill, the activities of the Canadian banks in the call loan market are still curtailed in several ways. The member banks that handles call loan business of the Canadian banks will naturally receive remuneration for money on call. When demand for call loans is small and the member banks has ample funds of their own to place in the call loan market the Canadian banks cannot place their money in this market readily. On the other hand when call money is in great demand and interest rates are high, there is always the possibility of Federal restrictions.

If the Canadian banks cannot depend upon the New York call loan market they may have recourse to the acceptance market in which they have placed funds to some extent in the past. This market is less active than the call loan market however, and does not offer the same degree of liquidity for bank reserves employed.

The possibility of a migration of security business from the United States to Canadian financial centres offers an interesting field for speculation as to whether the Canadian banks may not be able to find use for surplus funds in a domestic call loan market such as is not present today. Various New York stock exchange houses are reported to be making a survey of the Canadian field and while the restrictions of membership on the major Canadian exchanges may be a bar to opening Canadian branches it would be quite possible for dealings to be carried on through existing Canadian brokerage houses. These houses might develop a curb market for securities at present listed in the United States and if such a market existed there would naturally be an additional demand for call money in Canada.

* * *

Would Discard Thrift Motive

IN THE effort to get money into circulation in the United States various measures have been employed or considered. Not the least interesting of these is a proposal made by a psychologist through the National Committee for Mental Hygiene who believes that bank advertising that seeks to encourage thrift by picturing a destitute old couple with the admonition to "Save Your Money" is all wrong. It is recommended that banks advertise that thrift has a throttling influence at the present time and a potentially ruinous effect on the programme for the restoration of prices in the event that spending continues to be curtailed. As seen by the psychologist, Dr. A. L. Barach, of New York City:

"A vicious psychological circle has been created. The publicity which the depression has aroused with regard to the sufferings of those who are out of work has stimulated the evolution of a sense of guilt in those accustomed to a high standard of living. In the attempt to pacify their consciences, men and women throughout the nation have responded—to a variable degree—by accepting deprivations that were not actually necessary. To tune in with suffering, they have expanded their own personal suffering, without recognizing that they thereby lost their awareness of the sufferings of others. Once the pattern was elaborated, its persistence was ensured by the peculiar nature of the satisfactions that thrift afforded."

Staff Changes

The **Bank of Montreal** announces the following staff changes:

J. N. BRAY, manager at Danforth Ave. and Main St. branch, Toronto, has been appointed manager at Dundas St. and Lansdowne Ave., branch, Toronto, succeeding R. Y. Inglis.

R. Y. INGLIS has been appointed manager at Queen St. West and Beaconsfield Ave., branch, Toronto, succeeding W. L. Aitken.

W. L. AITKEN succeeds J. N. Bray as manager at Danforth Ave. and Main St. branch, Toronto.

W. C. Millar, accountant at Pembroke, has been appointed manager at Newington.

H. C. BARTER, manager at Newington has been appointed manager at Cookshire.

S. C. MOLSON, manager at Cookshire, has been appointed manager at Bedford.

Current Banking Events

Canadian Bank Deposits Show Gain in February

Current and Call Loans in Canada Reduced by $11,795,000 — Call Loans Abroad Up by $10,267,000 — Security Holdings Show Little Change

Demand and savings deposits in Canada showed the largest increase during February to be shown in any month since June, 1933, with demand deposits higher by $11,589,192 and savings deposits higher by $3,861,087. While the total of deposits, at $1,842,128,326, is practically the same as at the end of February, 1933, the volume of savings deposits has fallen off by $42,298,392 during the year and this drop is offset by an increase in demand deposits of $41,504,000. During this same period the volume of current loans has dropped by $54,638,559 so that the liquid position of Canadian business would appear to be at least $96,000,000 better than in February, 1933.

During February, 1934, the chartered banks increased their call loans abroad by $10,267,419 and other loans abroad by $4,487,080 while other foreign investments and balances were slightly higher. There was small change in holdings of government and railway securities although public securities were increased by $1,883,515. Current loans in Canada were down by $9,623,097 and Canadian call loans by $2,172,025. Provinces and municipalities increased their loans by $2,126,372 and $6,696,742 respectively while balances owing to provinces were reduced by $4,347,456. These latter changes reflect seasonal tendencies.

Note Circulation Is Up

The volume of bank notes in circulation was increased by $4,488,891 while deposit in the central gold reserve was increased by $1,300,000. The amount of Dominion notes held by the banks was reduced by $2,638,447 to $136,810,556. Holdings of specie are up $1,517,474 to $52,276,603. Letters of credit, which in some degree reflect activity in the import trade, are up by $2,032,801 during February and are $11,241,000 higher than in February, 1933.

The special analysis of the February chartered banks statement as prepared each month by The Financial Post follows:

ASSETS	Feb., 1934	Jan., 1934	Change	Feb., 1933	Change
	$	$	$	$	$
Immediately Available Liquid Resources					
Specie	52,276,603	50,759,129	+ 1,517,474	60,367,526	— 8,090,923
Dom. notes	136,810,556	139,449,003	— 2,638,447	140,769,571	— 3,959,015
Gold reserve	15,881,732	14,581,732	+ 1,300,000	19,081,732	— 3,200,000
Foreign banks	80,101,088	80,157,607	— 56,519	97,043,650	— 16,942,562
Foreign curr.	19,661,579	19,229,529	+ 432,050	16,677,940	+ 2,983,639
Govt. secs.	635,456,344	635,190,432	+ 265,912	581,282,145	+ 54,174,199
Call loans ab'd.	96,453,357	86,185,938	+ 10,267,419	76,287,191	+ 20,166,166
	1,036,641,259	1,025,553,370	+ 11,087,889	991,509,755	+ 45,131,504
Loans and Securities Other Than Those of Canadian Government					
Pub. secs.	148,380,924	146,497,409	+ 1,883,515	168,493,509	— 20,112,585
Railway secs.	49,187,850	49,959,940	— 772,090	47,676,945	+ 1,510,905
Can. call loans	101,526,182	103,698,207	— 2,172,025	97,166,190	+ 4,359,992
Current loans	869,125,576	878,748,673	— 9,623,097	923,764,135	— 54,638,559
Loans abroad	140,826,565	136,339,485	+ 4,487,080	155,162,061	— 14,335,496
Prov. loans	25,368,987	23,242,615	+ 2,126,372	24,595,737	+ 773,250
Mun. loans	116,844,328	110,147,586	+ 6,696,742	120,799,070	— 3,954,742
	1,451,260,412	1,448,633,915	+ 2,626,497	1,537,657,647	— 86,397,235
Other Assets					
Non-curr. loans	13,618,999	13,608,019	+ 10,980	13,778,175	— 159,176
Real estate	7,681,538	7,534,199	+ 147,339	7,623,419	+ 58,119
Mortgages	6,115,881	6,270,743	— 154,862	6,387,652	— 271,771
Premises	78,409,311	78,367,434	+ 41,877	79,248,175	— 838,864
Lets. of credit	53,240,647	51,207,846	+ 2,032,801	41,999,250	+ 11,241,397
Loans to comp.	12,959,374	13,091,273	— 131,899	12,965,722	— 6,348
Other assets	1,755,954	1,809,519	— 53,565	1,549,521	+ 206,433
	173,781,704	171,889,033	+ 1,892,671	163,551,914	+ 10,229,790
Total	2,661,683,375	2,646,076,318	+ 15,607,057	2,692,719,316	— 31,035,941
Note cir. dep.	6,506,708	6,506,708	....	6,605,675	— 98,967
Int. bank bal.	98,408,028	91,284,891	+ 7,123,137	82,639,932	+ 15,768,096
Gross	2,766,598,111	2,743,867,917	+ 22,730,194	2,781,964,923	— 15,366,812
LIABILITIES					
To the Public					
Circulation	125,707,707	121,218,816	+ 4,488,891	121,140,822	+ 4,566,885
Dom. Govt.	19,800,832	23,191,444	— 3,390,612	26,273,504	— 6,472,672
Prov. Govt.	22,704,400	27,051,856	— 4,347,456	18,813,775	+ 3,890,625
Govt. advances	43,444,000	44,344,000	— 900,000	41,944,000	+ 1,500,000
Deposits by Public					
Demand dep.	487,363,557	475,774,365	+ 11,589,192	445,859,615	+ 41,503,942
Savings dep.	1,354,764,769	1,350,903,682	+ 3,861,087	1,397,063,161	— 42,298,392
Total	1,842,128,326	1,826,678,047	+ 15,450,279	1,842,922,776	— 794,450
Foreign dep.	319,414,790	316,071,916	+ 3,342,874	309,736,501	+ 9,678,289
Due to Banks Abroad, Etc.					
United Kingdom	5,836,151	5,066,818	+ 769,333	3,722,453	+ 2,113,698
Foreign	26,873,072	26,211,090	+ 661,982	40,557,241	— 13,684,169
Bills payable	960,838	862,948	+ 97,890	585,555	+ 375,283
Lets. of credit	53,240,647	51,207,846	+ 2,032,801	41,999,250	+ 11,241,397
Other liabs.	2,363,429	2,336,032	+ 27,397	2,569,532	— 206,102
Total public liab.	2,462,474,192	2,444,240,813	+ 18,233,379	2,450,265,409	+ 12,208,783
Due bet. banks	12,479,509	10,863,148	+ 1,616,361	10,883,831	+ 1,595,678
Liability to Shareholders					
Dividends	2,447,000	957,068	+ 1,489,932	2,986,024	— 539,024
Reserve	132,500,000	132,500,000	....	162,000,000	— 29,500,000
Capital	144,500,000	144,500,000	....	144,500,000	....
Gross	2,754,400,701	2,733,061,029	+ 21,339,672	2,770,635,264	— 16,234,563
Credit index*	52.7%	53.8%	— 1.1%	55.4%	— 2.7%

* Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Royal Appoints Mitchell Supervisor in Ontario

D. C. Rea, Supervisor of Ontario Branches for the Royal Bank, is retiring from service with the bank on April 1 and will be succeeded by B. L. Mitchell, manager at Toronto.

Mr. Rea has had 41 years of service with the bank having started as junior clerk in 1893. He held important posts at Havana, Cuba, New York and Winnipeg. He has been stationed at Toronto since 1915 and has served as Supervisor of Ontario branches since September, 1927.

Mr. Mitchell joined the bank at New Glasgow, N.S., in 1903, later serving at Halifax, St. John's, Newfoundland; and Vancouver. He has been manager at Toronto since February, 1929.

Weekly Bank Clearings

	Mar. 29, 1934	Change year ago	Mar. 22, 1934
	$	%	$
Halifax	1,886,048	+35.5	1,949,343
Saint John	1,378,339	+20.4	1,454,504
Moncton	649,778	+33.3	603,227
Sherbrooke	498,962	+39.3	489,407
Quebec	3,026,203	+14.9	3,472,409
Montreal	80,355,829	+56.3	81,061,760
Ottawa	3,335,683	+18.8	4,614,186
Kingston	404,951	+15.6	467,170
Peterborough	537,885	+22.4	593,473
Toronto	95,490,962	+53.2	108,475,900
Hamilton	3,117,970	+22.0	3,623,473
Kitchener	715,565	+13.3	953,400
Brantford	637,646	+ 7.9	707,710
London	2,303,013	+43.5	2,411,760
Chatham	378,315	+25.6	432,565
Windsor	2,174,681	+55.9	2,066,949
Sarnia	299,926	+51.1	449,240
Sudbury	656,763	+93.5	567,996
Ft. William	397,459	+17.5	604,974
Winnipeg	24,845,559	—16.0	29,271,362
Brandon	227,630	+26.0	246,260
Regina	2,128,595	+22.0	3,383,945
Moose Jaw	368,419	+18.0	411,796
Pr. Albert	205,458	+26.6	234,543
Edmonton	3,028,081	+25.2	3,173,850
Calgary	3,461,499	— 0.1	4,092,403
Medicine Hat	167,302	+34.4	195,413
Lethbridge	304,392	+28.9	380,296
N. W'minster	451,216	+32.9	458,021
Vancouver	13,797,730	+51.6	15,083,514
Victoria	1,306,843	+48.6	1,391,717

Monthly Bank Clearings

	Mar., 1933	Mar., 1934
	$	$
Halifax	7,576,668	8,323,696
Saint John	5,368,239	6,326,414
Moncton	2,241,712	2,706,516
Sherbrooke	1,918,415	2,131,177
Quebec	14,182,191	15,253,679
Montreal	267,249,626	359,871,575
Ottawa	14,753,573	16,567,168
Kingston	1,857,618	1,992,422
Peterborough	2,032,701	2,510,613
Toronto	305,793,875	472,397,729
Hamilton	12,659,013	15,248,782
Kitchener	3,103,245	4,849,766
Brantford	2,741,689	3,058,349
London	9,089,628	10,567,356
Chatham	1,568,431	1,703,510
Windsor	7,633,420	9,015,347
Sarnia	1,344,777	1,695,042
Sudbury	1,727,767	2,698,484
Fort William	1,811,907	2,166,091
Winnipeg	175,903,885	132,539,739
Brandon	1,022,628	1,045,636
Regina	13,288,363	12,172,695
Moose Jaw	1,710,102	1,776,878
Saskatoon	4,332,592	4,328,700
Prince Albert	968,220	1,084,397
Edmonton	12,377,272	14,652,178
Calgary	18,347,604	17,294,714
Medicine Hat	672,279	897,546
Lethbridge	1,180,008	1,434,578
New Westminster	1,521,825	1,521,825
Vancouver	45,629,698	63,367,865
Victoria	4,860,662	6,395,618

Banking Committee Probe

Jackson Dodds Gives Evidence on Relation of Canadian Banks to Depression and Deflation; Bank Warnings to Public Started in 1927; Depressions Inevitably Follow Booms

Jackson Dodds, general manager of the Bank of Montreal and president of the Canadian Bankers' Association was the chief witness before the Banking and Commerce Committee on March 27. His testimony covered the question raised by Major G. C. Powers as to the relation of the chartered banks to depression and deflation and followed that of S. H. Logan, general manager of the Canadian Bank of Commerce, who completed his testimony on the relation of the chartered banks to the wheat pool and was followed by Mr. Dodds. The next hearing of the committee will be held on April 10.

Mr. Dodds stated that it was not generally appreciated that Canada has suffered less than most countries during the depression and in a large measure this is due to the strength of our banks and their policies prior to and during the depression. The conservative policy which the banks followed during the boom period, and the leniency extended and the constructive help to borrowers during the depression, have contributed largely towards preserving the country from the slow impact of the sharp shock suffered elsewhere. The chartered banks did not wait until depression came but exercised a restraining hand during the boom period, knowing from experience that the day of reckoning would come and that prevention was more effective than cure. Dr. Dodds quoted extracts from the addresses of the president and general manager of the Bank of Montreal as well as other statements made in 1927, 1928, and 1929 which showed that the bankers were cognizant of the dangers of excess speculation and that they sought as far as possible to curb such excess.

Banks Seek to Protect Depositors

Since the collapse in the autumn in 1929, the chief efforts of the banks have been directed toward protecting depositors and conserving the assets of borrowing clients. This has been done (1) by encouraging private borrowers to get their inflated position within manageable figures (2) by urging upon commercial borrowers the necessity of reducing their costs so as to enable them to weather the period of decreasing business, (3) by carrying numerous customers through a period when their assets securing bank loans declined to appreciably less than the amount of the relative loans and in some cases banks are still doing so; (4) continuing in spite of the unpopularity of such advice to impress upon public bodies the necessity for balanced budgets; (5) carrying farmer borrowers who are unable to repay advances and in many cases granting them additional assistance, it being the long established policy to show first consideration to farmers and other primary producers; (6) although the depression began in earnest in 1929 the banks did not reduce salaries until two or three years later; (7) in May, 1933, interest on savings deposits was reduced by one half of one per cent and the benefit of this reduction was passed on to Governments municipalities and to borrowers against high grade securities on government refunding at the lower interest rate being facilitated thereby. A corresponding or even greater reduction was also made in the interest rate on loans to farmers.

Have Duty to Primary Producers

Mr. Dodds stated that the bank's first duty is to protect the funds of their depositors numbering over 4,000,000 and to hold themselves ready to meet any demands that may be made upon them. Their next duty is to borrowers engaged in production and industry generally. The banks also have a duty to their shareholders who number about 47,000. The banks could hardly "combat" the effects of inflation that would imply active, aggressive action which is not descriptive of the part played in the economic system by the commercial banks.

Demands of Business Smaller

He stated that the banks' most important contribution to the country in times of depression and uncertainty is to conduct their affairs in such a manner as to retain the confidence of their depositors. The country is, therefore saved from the paralysis of business which would be caused by a panic. It has been complained that the banks have called in loans and refuse to make new advances for business purposes. Mr. Dodds stated that the truth is that certain business men have borrowed less lacking profitable use for money and the banks have been even more active than usual in competing for safe loaning business as has been the case in England where the banks have likewise had to find employment for funds in investments in government securities on a scale never before equalled and on a steadily declining basis of yield. It is the contention of the banks that they did their utmost to curb expansion during the boom and that following its collapse they have shown a reasonable and helpful attitude toward borrowers generally notwithstanding any specific instances to the contrary.

Margins Vary With Prices

In reply to questions by Hon. Mr. Euler, Mr. Dodds stated that the banks have no definite percentage that could be said to be the limit against loans on stocks. As soon as loans against stocks begin to interfere with what might be termed sound financing, or if it was apparent that there was excessive speculation the banks would feel that a definite limit had been reached and would curtail loans. The higher the market price of the stocks, the larger the margins demanded. Loans on stocks are fairly low at the present time.

Did Banks Force Liquidation?

Mr. Euler asked if it was not true that during the depression many manufacturers found themselves with an accumulation of manufactured goods on hand against which they had loans from the banks. He asked if the criticism was just that the banks showed very little consideration for some of those manufacturers and had compelled them to sacrifice their stocks thereby causing them to lose heavily as a result of liquidation at low prices which tended also to demoralize the whole business. He referred in particular to the furniture manufacturers.

Mr. Dodds stated that each individual case would have to be considered separately but that the banks had no desire whatever to force sales. In some cases it was obvious that there were fresh stocks coming in and other manufacturers would have those stocks at a lower price. In many cases, the manufacturers thought it was better to sell than to wait. He felt that the banks showed every consideration to all their customers although there may be specific instances where there might be disagreement as to the method adopted.

Method of Granting Loans

Mr. Dodds stated that the system under which loans are generally made by banks in Canada is that the customer goes into the branch bank and applies for a loan giving the branch manager all information which is pertinent to the matter. Depending upon the size of the place and the ability of the manufacturer to carry on his business, successful managers are given various limits up to which they may lend direct to the customer without any reference at all. Over that amount, the matter has to be referred to the district superintendent, and up to a certain figure these superintendents have similar authority. Above the superintendents, are assistant general managers scattered throughout the country and some in head office. The assistant general managers are given authority to authorize advances up to a certain figure and finally loans go to head office. The largest loans are dealt with by the general managers and are then placed before the board of directors. In some country branches, the limits of loans made at the discretion of bank manager is as low as $500.

Irvine Asks Questions

Mr. Irvine asked how a banker knew that there was a depression. Mr. Dodds stated that banks know by the number of people in the country who have no work and by the fact that business is at a low ebb. There is a falling off in turnover of business, a large drop in prices, and lack of interest generally in business. Loans go down as people do not want to use money and deposits go down gradually. Mr. Irvine sought to arrive at the cause of the depression by the method of elimination and elicited from Mr. Dodds that in Canada there is apparently plenty of wealth in the form of goods, natural resources and services. One root of the depression is that these goods cannot be sold because people outside the country will not buy them. The people inside the country are doing business on the basis of what is being sold outside the country and if there is not international trade, domestic business must fall off. Mr. Irvine did not agree with this viewpoint entirely.

Start of Depression Not Definite

Mr. Dodds could not state when the first manifestations of the depression became evident in the banks but repeated that in 1927 warnings had been given and that the banks had done their best to check excess speculation. He stated that the banks had pointed out to their managers and others that they wanted a more conservative attitude adopted and that profits were a secondary consideration. If the public of Canada continued to go on in the way they were going it was taken for granted that a depression would come again in the natural order of events.

Mr. Irvine quoted a statement made by the late Sir Edmund Walker in 1928 in which he said: "I recognize, however, that . . . it is the chief duty of the executive officers of the bank to make dividends for its shareholders." Mr. Dodds said that he did consider this to be the chief duty of the officers of the bank. Mr. Irvine asked if Mr. Dodds felt that there is any danger of over optimism at the present time. Mr. Dodds stated that there is always danger of over-optimism of people but a little optimism would do no harm and he tried to spread some.

Questioned as to whether under an economic system operating on orthodox lines of sound, safe money another depression would come along in another few years, Mr. Dodds stated that it was hard to say, since there was before the committee a bill to incorporate the Bank of Canada which had as one of its chief duties the power to regulate credit and currency in the best interests of the country. Mr. Dodds stated, however, that the experience with central banks has shown that despite similar purposes they had not been very successful in avoiding depression. Mr. Dodds stated that he thought that when a country gets too much over-optimism there will develop later on a depression. "The pendulum swings as far one way as another."

Claim Too Much Theory

Mr. Irvine asked Mr. Dodds to define what money is and was referred to the dictionary. Various members of the committee objected to questions dealing with theory rather than facts. Mr. Ernst stated that the banks do not make the monetary system; Parliament has made that so far as Canada is concerned. The banks operate within the power granted by parliament. It is not the banks' function to make a monetary system. Mr. Irvine agreed but stated that he was trying to find out how the system operates and what it does and how the banks function.

He agreed to accept the definition of money as "a medium of exchange" and asked what the banks did with money in regard to the economic system in Canada. Mr. Dodds replied that the money that the banks received on deposit was either kept in reserve for special demands or ordinary demands which might come in or was loaned to people to enable them to purchase goods, to manufacture goods, or else some was loaned to brokers on call. Some was put into government bonds which bring in money. The banks assist in production of goods by loaning money.

Banks Willing to Lend

Mr. Irvine asked whether there was actually more money in existence in Canada at one time than at another and if this is true whether it is created and destroyed at somebody's will. Mr. Dodds replied that the amount of money varied and that the banks could reduce or increase their circulation. He stated that there was ample money available in Canada in 1926, 1929 and 1932. Mr. Irvine said he sought to find whether the banks lend only the money of depositors. Mr. Dodd stated that the banks loaned in addition to the money of depositors its capital and reserve and is permitted to issue bank notes. The banks can also borrow under the finance act.

Mr. Dodds agreed that there was less money issued in 1932 than in 1929 due to the fact that there was less trading and notes were withdrawn. He stated, however, that the banks have continually and continuously been ready to lend money for the commercial business of the country.

Must Be Desire to Buy

Mr. Irvine asked what effect the reduction of credit would have upon prices. Mr. Dodds stated that the banks assume that if money was not available for circulation there would be a check on speculation. This was done in order that the banks would have money available for commercial business which could continue on its normal way. The banks were under no pressure to curtail credit when they started in 1927. Mr. Irvine asked if there is enough money in circulation in Canada to facilitate the exchange of the goods produced in Canada and which could be consumed by the Canadian people in Canada. Mr. Dodds replied that there is enough money to move the goods that are moving. In answer to the statement by Mr. Irvine that he had never yet seen goods start to move without there being money to move goods start to move and people want them. Mr. Dodds stated that when to buy them, there is enough money to move them, but if people do not want to buy them and if the money is in the bank or anywhere else, then money won't move them. Not only must the money be present but there must also be the desire to buy.

Expects Return of Gold Standard

Mr. Dodds stated that Canada is not on the gold standard since the banks cannot export gold from the country but that he believes that ultimately the country will return to a gold standard. Despite the fact that Canada has not been on a gold standard, he believes that Canada has been upon sound money during the past two years and that the difference in exchange between Canada and the United States since 1931 is due to the fact that Canada has had more to pay in the United States than it was getting in from the country.

Call Loans Reduced

Mr. Dodds stated that five Canadian banks, the Bank of Montreal, the Canadian Bank of Commerce, the Royal Bank, the Bank of Nova Scotia, and the Dominion Bank have agencies in New York which invest reserves that must either be kept in the vaults without earning any interest at all or be loaned. He stated that as the call loan rate was rising in New York prior to 1929 the Canadian banks had been decreasing rather than increasing the amount of money loaned in that market. Figures were quoted showing that the annual average of monthly averages of the New York call loan renewal rate increased from 4.5 per cent in 1926 to 7.61 per cent in 1929 whereas the net funds of the Canadian chartered banks abroad were reduced from $336,400,000 at December 31, 1926, to $134,300,000 at December 31, 1929. Mr. Irvine quoted figures showing that all Canadian banks had on call and short term loans, not exceeding 30 days, $292,693,175 on December 31, 1931, whereas on June 30, 1929, there was $33,285,323 on call. This was reduced to $91,491,603, at December 31, 1932. Mr. Dodds stated that the principle of putting money on call loans was introduced with the idea of having money readily available at any time that the Canadian banks required to use it in connection with commercial business in Canada. While call loan rates in New York in 1928 and 1929 ranged from 6 to 12 per cent and even higher the bank of Montreal was bringing money back to Canada, to the amount of $84,000,000.

Banks Mind Own Business

Questioned as to whether the bankers of Canada had given any thought to the problem of getting money into the pockets of consumers sufficient to buy the output of goods in Canada, Mr. Dodds replied that the banks had been so busy running their ordinary business in the last four years that they had not got down to a lot of these theoretical things at all. Mr. Irvine claimed that the question was not theoretical; that the committee was enquiring into the banking system and asking what the banks have done and might do to try to alleviate the depression or give the country prosperity. He suggested that the best way to get prosperity is to try to get money into the pockets of the consumers in order to buy goods, but Mr. Dodds stated that unless the consumers wanted to buy the goods there was no good in having the money there. He could not tell how the bankers of Canada while holding to a gold standard theory and financing production only would propose to get the necessary increase of purchasing power to the consumers.

No Control of Purchasing Power

Mr. Irvine asked if Mr. Dodds did not believe that it would not be just to so arrange matters that a bushel of wheat would pay the same amount of debt in 1934 as it did in 1929. Mr. Dodds replied that one year a farmer is going to have 30 bushels of wheat and the next year he might have 10 bushels of wheat and he would do the same amount of work in each year He asked if he was to understand that Mr. Irvine believed that a man should be able to buy three times as much one year when he is left with a bountiful harvest. He pointed out that we have no control of how much wheat a farmer will sow and therefore there can be no control on how much his spending power is going to be. A bushel of wheat is worth a bushel of wheat and it will not buy the same thing always.

Township of Amherst, Que., Pays Interest to May 1, 1933

Quebec Municipal Commission advises that the township of Amherst, Que., is depositing with its bankers an amount sufficient to pay coupons due on or prior to May 1, 1933. Such coupons, therefore, should be presented for payment.

All creditors holding past due bonds are asked to register with E. Des Ormeaux, St. Remi D'Amherst, Que., so that cheques may be sent covering interest.

HUMAN NATURE

No man can be expected to give greater attention to other people's business than to his own—the other man's business must be of secondary consideration. Through a Trust Company an Estate receives the thoughtful management which only experience and specialization can ensure.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

FAIRBANKS
AUTOMATIC
OIL BURNER
MADE ENTIRELY IN CANADA
THE CANADIAN FAIRBANKS-MORSE COMPANY LIMITED
Montreal, Toronto and Branches

Position of Chartered Banks of Canada as of February 28, 1934, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	32,231,778	13,395,681	9,000,000	4,782,628	134,764,983	377,426,535	58,462,269	1,736,687	1,506,945	4,350,673	72,731	6,256,439
Nova Scotia	11,056,060	488,386	3,214,000	593,912	33,115,523	132,688,828	35,022,071	2,158,541	358,414	1,872,335	108,393	5,833,530
Toronto	5,732,629	283,821	1,500,000	1,049,786	21,466,605	61,758,123	....	1,216,314	348,655	916,033	229,500	1,120,778
Provinciale	3,431,408	214,486	600,000	65,112	3,809,953	31,935,822	....	118	....	70,718	....	138,391
Commerce	22,662,470	1,816,988	7,000,000	4,367,458	103,734,182	275,752,357	56,173,736	2,154,498	779,487	6,151,545	....	15,000,770
Royal	28,577,782	2,370,034	9,000,000	6,554,525	127,154,457	263,165,561	164,951,889	1,242,272	455,292	9,815,311	79,195	21,810,797
Dominion	5,960,188	256,031	7,956,000	1,040,981	21,049,380	60,353,065	3,696,149	1,448,602	231,152	680,137	471,019	2,001,267
Nationale	8,326,849	379,125	3,500,000	1,417,481	15,887,396	77,493,060	1,108,676	511,028	31,323	330,566	....	512,067
Imperial	7,472,403	481,196	1,590,000	2,682,517	24,146,555	72,047,794	....	1,760,626	294,655	1,064,405	....	512,207
Barclays (Canada)	256,140	115,084	84,000	150,000	2,234,523	2,143,624	....	250,823	1,830,228	1,621,349	....	54,401
Total	125,707,707	19,800,832	43,444,000	22,704,400	487,363,557	1,354,764,769	319,414,790	12,479,509	5,836,151	26,873,072	960,838	53,240,647

NAME OF BANK	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised	Capital Subscribed	% Last dividend	*Loans to Directors and firms of which they are partners	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	1,661,447	725,976	38,000,000	36,000,000	720,374,777	50,000,000	36,000,000	8	1,270,916	16,657,841	46,841,102	33,435,140
Nova Scotia	262,885	3,059	24,000,000	12,000,000	262,775,942	15,000,000	12,000,000	12	2,886,726	9,120,327	10,928,780	11,465,549
Toronto	138,239	151,061	9,000,000	6,000,000	110,911,549	10,000,000	6,000,000	10	1,058,634	389,000	3,798,400	5,995,434
Provinciale	2,214	64,051	1,000,000	4,000,000	45,332,277	5,000,000	4,000,000	6	638,692	238,806	430,793	3,618,185
Commerce	....	606,514	20,000,000	30,000,000	546,279,205	50,000,000	30,000,000	8	5,902,819	12,314,000	33,879,000	23,679,086
Royal	60,766	711,167	20,000,000	35,000,000	691,340,878	50,000,000	35,000,000	8	2,290,845	11,987,711	23,752,624	29,517,529
Dominion	237,833	1,574	7,000,000	7,000,000	118,912,363	10,000,000	7,000,000	10	1,645,869	649,000	1,963,000	6,195,388
Nationale	....	178,161	5,000,000	7,000,000	121,675,736	10,000,000	7,000,000	10	279,600	918,536	1,019,609	8,627,159
Imperial	....	5,437	8,000,000	7,000,000	127,057,799	10,000,000	7,000,000	10	548,743	540,992	3,394,772	7,781,808
Barclays (Canada)	....	....	500,000	500,000	9,740,175	500,000	500,000		....	11,834	107,134	289,385
Total	2,363,384	2,447,000	132,500,000	144,500,000	2,754,400,701	210,500,000	144,500,000	......	16,522,844	52,828,047	126,115,214	130,704,663

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other Bonds and Stocks	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	16,557,325	56,168,168	2,417,510	353,025	20,828,138	....	2,483,709	7,780,333	254,352,800	39,334,479	9,369,652	6,166,178	35,919,662
Nova Scotia	8,966,953	9,364,514	665,050	2,125,229	9,018,459	....	1,372,626	8,154,605	66,651,388	16,399,754	7,620,107	6,519,627	989,063
Toronto	400,722	4,863,207	366,730	14,038	4,884,889	....	1,077,980	1,839,538	31,408,123	6,356,214	852,683	4,871,431	....
Provinciale	254,343	347,606	308,135	39,829	1,369,146	1,909,115	8,239	152,939	10,356,601	4,986,560	3,009,460	4,824,350	....
Commerce†	11,809,205	32,117,068	1,544,485	1,026,067	16,610,691	21,851	950,534	16,528,146	99,294,282	33,055,705	11,018,068	30,000,422	21,819,177
Royal‡	12,126,685	26,103,909	1,936,681	15,961,344	20,113,730	1,693	1,910,963	30,336,570	98,034,738	22,217,789	11,420,358	29,261,233	34,278,329
Dominion	651,097	3,026,217	523,645	37,870	4,773,589	....	551,466	868,053	25,072,055	5,409,130	2,188,303	8,025,329	3,447,126
Nationale§	954,711	973,977	478,050	57,051	2,706,913	260,912	122,587	469,280	25,098,705	14,741,608	3,550,299	5,235,137	....
Imperial	542,434	3,793,784	482,110	45,985	5,364,891	603,594	664,755	968,175	23,521,411	5,701,010	128,070	5,988,075	....
Barclays (Canada)	13,128	52,016	13,070	1,141	590,630	914,341	3,441,984	418,606	1,666,241	178,675	30,850	634,400	....
Total	52,276,603	136,810,556	8,435,466	19,661,579	86,261,076	3,711,506	12,584,843	67,516,245	635,456,344	148,380,924	49,187,850	101,526,182	96,453,357

NAME OF BANK	Other current loans in Canada	Other current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves*	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	189,217,445	6,549,706	6,350,477	38,852,081	3,810,671	507,085	1,091,286	14,500,000	6,256,439	1,589,618	3,000,000	61,005	384,312	722,601,913
Nova Scotia	84,576,457	13,586,337	1,885	8,386,354	926,800	....	106,306	7,792,148	5,833,530	531,194	1,250,000	2,732,162	110,331	263,680,791
Toronto	43,740,427	....	....	4,989,391	360,790	....	41,998	3,635,616	1,120,778	315,801	630,866	....	....	111,771,331
Provinciale	13,318,281	....	....	1,029,278	179,446	564,806	379,042	2,138,181	138,391	195,400	....	....	104,823	43,644,069
Commerce†	166,753,266	19,131,735	8,037,133	30,995,375	3,187,557	2,592,850	2,579,021	14,869,954	15,000,770	1,250,000	4,000,000	4,042,785	398,975	548,035,133
Royal‡	219,071,737	101,115,573	1,026,257	11,242,815	4,053,847	2,499,686	864,306	17,005,227	21,810,797	1,500,000	3,000,000	6,123,422	394,327	693,412,026
Dominion	52,571,889	387,495	....	2,765,550	406,617	88,141	21,474	5,929,491	2,001,267	304,550	400,000	....	138,953	119,589,325
Nationale§	41,959,156	55,719	5,397,856	9,579,141	336,956	1,223,568	611,143	6,087,003	512,067	358,611	1,500,000	....	70,135	122,340,594
Imperial	56,657,552	....	4,555,379	9,003,434	342,171	175,402	421,305	6,001,691	512,207	446,739	2,100,866	....	154,179	128,175,230
Barclays (Canada)	1,259,366	....	....	....	14,144	....	....	450,000	54,401	14,795	....	....	....	9,747,794
Total	869,125,576	140,826,565	25,368,987	116,844,328	13,618,999	7,681,538	6,115,881	78,409,311	53,240,647	6,506,708	15,881,732	12,959,374	1,755,836	2,766,598,111

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*Of this deposit $5,181,732 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in the above return.—Footnote to Banque Canadienne Nationale return.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, APRIL 7, 1934 | 10c a Copy; $5.00 a Year | No. 14

LOSSES KEPT UP ON GOVERNMENT FARM LOANS

Dominion With Least Unfavorable Results Plans Extension

GREAT CARE NEEDED

Only Quarter of Applications Approved But Hazards Increase While Prices Stay Low

In view of the recommendation of the Macmillan report on banking and economic problems that a farm loan agency should be established to operate nationally and in view of current reports from Ottawa that the Dominion Government consequently intends to broaden the scope of the Farm Loans Act, it becomes of the utmost importance that legislators and Canadians generally should study with great care the story of large losses incurred by Dominion and provincial Government agencies in lending money to farmers.

There have been differences in degree of loss according to the wisdom of administrators and the severity of depression, but in the main the record proves that the two original aims of such loan bodies—first, to extend loans to farmers who formerly could not get loans, and, second, to reduce rates below the rates charged to farmers by insurance, trust, mortgage and loan companies, cannot be put into effect without serious losses resulting. The money to lend to farmers has been raised by direct borrowing and by taxation with the taxpayer shouldering more and more of the burden as farm product prices declined and security markets grew apathetic toward Governments unable to balance their budgets, or to do so only with difficulty.

Encouraged Over-expansion

The Government activities in lending have been distinctly beneficial to the farmer who simply borrowed in order repay his mortgage principal owed to companies or individuals at a higher rate. He reduced his annual overhead in this way but the larger number of farmers who saw in this cheap money a Heaven-sent opportunity to expand production, acreage and buildings found soon that their enterprise and the Government's willingness to lend landed them in difficulties greater than otherwise would have occurred. Many farmers have assumed obligations beyond their capacity to pay.

Dominion Lending

The purpose of the Canadian Farm Loan Act was to provide long term loans to farmers on the security of their land holdings at a comparatively reasonable rate of interest and on easy terms of repayment. The loans may run up to 32 years and are limited to half of the value of the land and 20 per cent of the value of the insurable improvements, the maximum being $10,000. The rate of interest is 6½ per cent and 7 per cent on arrears.

In the year ended March 31, 1933, the board carried on loaning operations in British Columbia, Alberta, Manitoba, Quebec, New Brunswick and Nova Scotia through provincial boards nominated by provincial Governments and appointed from these nominations by Ottawa. In that year the board received 1,776 applications for loans totalling $3,939,393. Many applications were rejected because the amounts required were too large, or because the loans were desired really as relief. The report of J. D. MacLean, commissioner, to the Finance Minister emphasized the fact that the board is permitted by the act to make "loans only where the security offered it is adequate and where there is apparent ability on the part of the applicant to meet his annual installment repayments of principal and interest from annual earnings." A very large percentage of the loans applied for were requested for the purpose of consolidating and refinancing existing indebtedness, and, as Mr. MacLean said in his report, "the difficulties involved in making sound loans with any degree of confidence during the past year are apparent." The total loans granted amounted to $982,600 and new loans disbursed totalled $1,276,114. Borrowers did their best but prices of farm products dropping to new low levels made it difficult to overtake arrears or meet installments due.

Arrears Increased

Total arrears were $309,426, equal to 3.47 per cent of the principal of mortgage loans outstanding as compared with 1.86 per cent a year earlier. Interest in arrears for more than six months amounted to .98 per cent of the total as compared with .24 per cent a year earlier. Sale or foreclosure proceedings were instituted in 50 cases. The board acquired 27 farm properties, disposed of eight and held 24 properties at the end of the year. In nearly every province moratorium legislation to protect the farmer was in effect.

From the outset of operations in 1929 the Canadian farm loan board has received 16,778 applications for $42,976,056 and has approved loans for $10,201,450 on which $9,420,324 was actually paid out. The totals disbursed in the six participating provinces cover 1,100,350 acres and are divided among the provinces as follows: British Columbia, $1,366,788; Alberta, $3,444,018; Manitoba, $788,640; Quebec, $2,892,191; New Brunswick, $631,507; and Nova Scotia, $297,180. Total security is appraised at $38,344,610 with buildings making up one third of this amount.

Profit or Deficit

Total receipts of interest were $554,067 less interest of $250,000 at 5 per cent on initial capital advances of $5,000,000, $112,229 payable on 5 per cent bonds and $112,075 for administrative and general expenses. This left a profit of $79,763 to which was added a credit of $219,082 as exemption of interest on initial capital advances by the Dominion Government, or $298,845 in all. There would have been a deficit exceeding $100,000 on the basis of interest paid instead of interest earned and deducting the whole 5 per cent on initial advances.

Saskatchewan's Hard Luck

The Saskatchewan Farm Loan Board reports 25,410 applications from farmers for $68,576,395 of which 6,598 for a total of $17,118,741 were approved. In the sixteen years since 1918 when board began operations interest accruing to the board was $9,048,687 of which $6,130,664 was paid, leaving a balance unpaid of $2,918,022. In 1933 only ten loans were made for a total of $14,846. The amount of capital provided for this venture was $15,287,037, administration expenses were $509,333 and interest reported as owing to the provincial treasury was $1,771,760, making the total liability of the board to the Government $17,508,131. Assets are shown as first mortgages $12,171,581, foreclosed land $1,707,564 and interest arrears $2,918,022, leaving a balance sheet deficit of $1,439,808.

Ontario's Agricultural Development Board has not published its report for the year ended October 31, 1933, as yet but a year earlier loans outstanding were $42,152,965, accrued interest $3,318,056 or $45,471,021 in all. The total income from all sources in that year was $2,218,656 and interest arrears exceeded $1,000,000, an amount equal to six months arrears on all mortgage. It is scarcely likely there has been an improvement in 1933.

Codes for Canada: 1. Why Do We Want Them?

Problem is to Devise Workable System of Competition That Will Promote Initiative of Individual Business Men Within Limits of What is Socially Good

Codes. That is the magic word today.

Competition used to be called the life of trade. Today it is called the death of trade.

The particular anathema once pronounced upon combines in restraint of trade is now reserved for "unbridled competition."

Business men who were suspected when they got together to do a little planning are now told that they must do more planning.

Business is being told it must acquire a social sense, the implication being that it hasn't had it in the past.

Converging Objectives

Several lines of thought that have been gradually evolving throughout the great depression have converged. They all came together in a heap in the National Industrial Recovery Act in the United States which set out to solve a dozen baffling economic problems in a single act of Congress. N.R.A. was to be all things to all men. It was to meet the problem of technological unemployment; the problem of under-consumption; the problem of over-expansion; the problem of predatory competition; the problem of low wages, long hours and anti-social working conditions; the problem of the "lack of planning" in capitalistic society.

The N.R.A. expressed itself chiefly through codes. Under the act business men were told that they must associate themselves together not only for their own good but for the good of society. In theory they were to be encouraged merely to enter into voluntary agreements to work together with labor and consumers to Plan and to be Good. In actual practice, a highly socialized political dictatorship has told them that they have to be Good or the government will force them to mend their ways. The dictatorship went so far as to define in the most precise details what was involved in Planning and in being Good.

That is because the N.R.A. was part of a larger programme. They call it the New Deal. In essence, it aims to redistribute wealth and opportunity. The basic thought is that maldistribution of wealth creates depressions; depressions create social wrong.

Roosevelt's Goal

N.R.A.'s goal was defined by President Roosevelt as "the assurance of a reasonable profit to industry and living wages for labor, with the elimination of the piratical methods and practices which have not only harassed honest business but also contributed to the ills of labor."

If Hon. Harry H. Stevens were to define his goal he would probably use words something like those.

Permanent Measures Only

Let us not try to answer the question whether N.R.A. was a recovery measure or a scheme for economic and social reconstruction. In Canada, whatever we do—by voluntary association of business men or by legislation—must be conceived in the spirit of permanent reform. The depression may have emphasized certain undesirable business methods. But if they are wrong in bad times they are wrong in good times; if we exile them it should be to some economic Devil's Island, where a two year term means permanent banishment.

Canada has shied at N.R.A. and codes. Wisely, our government has—so far—decided that it would be better to let the United States do the experimenting and make the mistakes; then to take advantage of what was learned over there to attempt to improve the social aspects of business in this country.

Asking For Codes

But insistent groups are trying to push Canada into a codification of business under State domination.

Some business groups are talking of their own voluntary codes, involving no appeal to the State for new laws.

A committee of the House of Commons is probing deeply into the related problems of price spreads, competitive practices, wages and working conditions in Canada, trying to find out not only what is wrong but what the connection is between the things that are wrong.

No committee ever started out with a bigger, more genuine job than that which faced Mr. Stevens and his associate committeemen. Much criticism has been heaped upon the method in which the committee has set to its job. The criticisms has been heard at Ottawa; it may modify the methods of operating the enquiry. If it does, much useful information may come out; many important reforms be at least attempted.

Some Basic Problems

Whether Canada goes into socialized economic planning or not, business men and politicians and thinkers are going to continue to ponder deeply on the best possible ways and means of solving certain basic problems of business. Such problems as these:

How can we raise the ethical standards of all business men to the level of the sincerest and most honest of them?

How are we going to narrow the spreads between producers and consumers?

How are we going to ensure every worker of the fair deal that the 95 per cent of business men give their workers?

How can we bring more efficient control into the planning of the nation's business as a whole in order to prevent the losses that follow excesses in any direction?

Parts of Large Problem

These are merely typical aspects of the larger problem of making the economic system work smoothly and dispense its favors fairly. The problem is to devise that system of competitive business in which individual initiative can be made to operate freely within the limits of what is socially right.

In a series of articles The Financial Post will examine the question of codes for Canada against the larger issue of individual freedom versus state planning.

Any adequate discussion of the problem has to steer a middle course between practical business problems and economic theory.

We get rid of the most perplexing phases of the problem if first of all we discuss the question arising out of the ethical standards of competitive business.

What is Fair?

The dividing line between what is good business or honest business and what is "chiselling" or unfair practice is a hair's breadth.

Perhaps there isn't any dividing line at all. Two sincere men might argue for hours as to whether or not a certain practice is fair or unfair.

There would be little trouble if the Golden Rule were observed in business. But there wouldn't be any problems anywhere in the world if the Golden Rule were the world's code of conduct. Nations would neither need nor use military or economic armaments.

Business—like politics and social affairs and sports—is played by ordinary human beings. Its code of conduct can never be higher than that of the average people in the game.

Keeping these simple truths in mind, what are the competitive practices that have grown up in business that are now the subject of reproach and enquiry?

Many Practices Cited

Witnesses at the Stevens enquiry have rung the changes on many of them. The industrial and merchandising codes set up under the National Industrial Recovery Act in the United States specify many of them. The Financial Post has had the benefit of studying memoranda prepared by the editors of the business newspapers published by The MacLean Publishing Company, Limited, in which "unfair" and "unethical" competitive practices are set forth in great detail.

It would suggest a picture of the utmost confusion to attempt to list them all without careful culling. Reading the Stevens Enquiry evidence gives point to the quip that chiselling is "the other fellow's way of doing business." Any device he uses to gain a competitive advantage on you is unethical—until you decide that you had better adopt it. But the problem of unethical practices in business cannot be dismissed with an ironical jest, no matter how much superficial truth there is in it.

What is Honesty?

In the process of culling, it is well to eliminate practices that are dishonest in the plain, every day sense of that term. Dishonesty exists in business; it always has; it will exist for generations beyond calculation. There can be no argument about dishonesty; it is wrong. But there can be much argument about what constitutes dishonesty.

It is dishonest for me to sell you a peck of potatoes at 60 cents when I know (though you may not know) that the fair market price is only 40 cents.

It is dishonest for me to tell you my potatoes are good when I know that they are frost-bitten.

It is dishonest for me to tell you that my potatoes are the best in town when in fact I know that every dealer on the street has potatoes just as good.

These things are dishonest. Ten statute books of legislation; ten thousand codes could not put an end to such dishonesty in business. The first great code, written on Mount Sinai, has been at the job for some thousands of years; the second great code, a sermon from another mountain, has been at it 1,900 years. Yet dishonesty exists.

So things that are merely dishonest can be ruled out as not the primary subjects for business codes.

Law-Breaking Also Different

Likewise things that are illegal under existing legislation can be ruled out. They are not chiselling; they are law-breaking. When witnesses come before the Stevens Enquiry committee and charge a competitor with doing something that is against the law they are going to the wrong place. They should go to the police station and swear out a warrant.

Putting a law on the statute books is easy compared to enforcing it. And no law can be written that cannot be evaded legally in some way—to someone's advantage and someone else's disadvantage.

When good laws are being evaded then they have to be strengthened, if it is possible to strengthen them. When they are being broken and no one is being punished then there may be something wrong with the machinery for enforcement.

Fraudulent Advertising

Such a law, for instance, is the criminal code provision against fraudulent or misleading advertising. It is charged that the public is being mulcted every day by fraudulent advertising. Yet there are few prosecutions initiated under the act. One reason is that there is no well defined body to spy upon the dishonest advertiser and bring him into court.

A merchant doesn't like to bring his competitor into court. He takes a chance on losing the case and landing himself in a civil action.

Associations of manufacturers or merchants ought to appoint advertising vigilance committees. But most associations have allowed this proper function of theirs to remain unused.

Better business bureaus are a means to the end of honest advertising, but they cost money to support and as a result they are few in Canada.

Security Frauds Also

For years there were omnibus fraud laws on the statute books. They were broad enough to cover practically every type of security fraud. But peddling of blue sky securities was not checked by fraud laws. It was found necessary to set up provincial commissions to police the field of security selling and to initiate prosecutions, to perform the difficult and cumbersome tasks for which investors were unequipped. Special acts were written, but these really did little more than delegate authority and provide machinery for enforcement. Likewise, they particularized to some extent in defining investment fraud. But the point is that defrauding an investor by misrepresentation has always been lawbreaking; the law was ineffective until specialized enforcement machinery was established.

Laws Against Combines

Likewise with combines in restraint of trade. They have been illegal ever since 1889, but few trusts were ever prosecuted until another act set up machinery for investigation and prosecution of combines.

It is questionable if dishonest or misleading advertising, which is now against the law, will ever come in for very much government control, until special machinery is established by the Dominion government or the provinces to spy upon the merchandising crooks, to collect the evidence necessary for a successful criminal action and to fight the cases through the courts.

Dishonesty and law-breaking then are not chiselling, they are not unfair or unethical competitive practices. They are human nature at its worst.

Seeking Clearer Thinking

This long preamble was not written to take up space. It was necessary to aid in the clarification of the problem we are dealing with. For if clear thinking and intelligent reasoning are needed anywhere they are needed in dealing with this problem of raising the standards of practice in business.

The problems cannot be thrown together in a heap and disposed of by repeating the mumbo-jumbo of "there ought to be a law."

We have plenty of laws now. They haven't made honest men out of the small percentage of business men who don't know how to be truly honest.

They haven't proved capable of enforcement over the whole complicated range of business in the country.

Codes, of a sort, are not unknown in Canada. Workmen's Compensation laws, minimum wage laws, child labor legislation, factory legislation, have accomplished in more or less degree objectives similar in character to some of the objectives in the N.R.A. codes.

Business has had its voluntary codes in Canada, as well as legislation of similar purpose. There are scores of associations of manufacturers, retailers and other business men in Canada. Most of them exist to raise standards of conduct; to bridle, in some way, "unbridled competition." Read the extensive report on organization in industry, commerce and the professions in Canada, published by the Department of Labor. One industrial association gives as one of its objects: "To discountenance conditions . . . which will not allow a workman to earn a wage proportionate to his productive capacity." Another sets out "to encourage higher standards of products and safe and sane methods of doing business;" still another "to agree collectively upon . . . the betterment of the workman's standard of living."

What has hampered the growth of such associations? What needed impulse can be put behind voluntary co-operation among business men in the general interests of all—owners, laborers, consumers?

These questions have to be answered.

The pat answer is that the Combines Investigation Act keeps business men apart. The answer is inadequate and not entirely accurate. Because competition has gone to extremes we cannot wisely jump to the conclusion that the combines legislation is entirely or even largely to blame nor that it must be forthwith abolished.

Some Difficult Problems

The N.R.A. codes in the United States have given a taste of the problems involved. There are certain major competitive practices which the N. R. A. codes have labelled unfair, that they have attempted to exorcise from the body of business. Every one of these has repeatedly been defined as unfair by the Federal Trade Commission over a term of twenty years and has been enjoined by that body. Yet the first thing the codes set out to do was to banish these pesky practices that had been repeatedly banished from American business for two decades.

Even the N.R.A. codes are not making American business 100 per cent ethical. There is only one United Steel Corporation. There are tens of thousands of cross roads stores. You can watch a big corporation; you cannot watch thousands and thousands of small ones. Washington is abandoning its ideal of establishing codes of conduct that can be applied to and enforced equally in a few huge industrial establishments and a million two-by-four business houses.

A keen and well informed Washington observer wrote just last week to the editor of The Financial Post:

"I hope Mr. Bennett is not going to undertake a general codification of Canadian industry. Our experience seems to show conclusively that, while the codes may be advantageous in the case of a few great and well integrated industries, they cannot be enforced throughout the whole area of business activity."

The Blue Eagle is big, big enough to cast shadows on the ground over which it is flying.

So much by way of preliminary. In the next article we shall attempt to cite and define prevalent unfair, unethical or anti-social competitive practices in business.

SELF-RULING STOCK MARTS IDEAL SOUGHT

Canadian Exchanges Find Close Co-operation With Governments Effective

NO STRAIT JACKET

Elasticity and Efficiency Not Sacrificed as in Proposed U.S. Legislation—Public Interest Conserved

Since the United States Senate Banking and Currency Committee redrafted important sections of the Fletcher-Rayburn Stock Regulation Bill without much abatement of the barrage of complaints from leaders in business and finance from all parts of the republic, a considerable feeling of relief has made itself evident in stock exchange circles in Canada as the strength of the opposition in the United States lessens the likelihood of a serious demand for putting Canadian stock exchanges in a strait jacket.

Just as the New York Stock Exchange executives have been doing in the United States, the principal members of the large Canadian stock exchanges have argued that self-regulation is better than iron-clad regulations imposed from without and have in the last year or so been trying strenuously to prove it by deeds.

Thorough Audits

The Canadian stock exchanges have one item in their favor that the United States stock exchanges did not have and that is that radical adjustments have been made in stock exchange machinery and methods by Canadian stock exchanges in close collaboration and consultation with securities commissioners of various provinces. Stock exchange authorities claim that more progress has thus been made in an unobtrusive way than in three decades preceding. Recent rulings have shown that the stock exchange authorities are keeping a sharp eye out for attempts to use stock exchange market machinery to the disadvantage of the public. Their knowledge of the views of securities commissioners and the growing intimacy of the latter with exchange problems and needs have enabled reforms to be accomplished without sacrificing elasticity or effectiveness, it is claimed.

Margins Adequate

For some years back adequate margins have been asked on all securities and the provisions in the United States law with regard to outside audits are unnecessary here because a very thorough exchange audit has been in effect and effective for several years on the chief exchanges. That is particularly true of the Toronto Stock Exchange which has as its proud record in the greatest of all depressions in the twentieth century so far, the fact that not one member failed to meet his obligations to clients as a result of the crash in market valuations in 1929 and 1930 and the later troubles. Audits have been constant, frequent and have been run for the benefit of the public during all this time.

Good Company Laws Aid

Any improvement in federal or provincial company acts will result in better conditions on the stock exchanges. Every broker is a friend to the idea that companies should make adequate annual statements and desires wherever possible that monthly and quarterly statements should be available. It helps his business because it increases the confidence of investors. If the law sets out exactly what information companies must give in prospectuses and financial statements, that also—it is urged—does more to prevent manipulation and boosting of shares with false stories than any rigid regulations could do. Such regulations as to accountancy policy are being opposed in the United States by many companies.

Kill or Cure

In Canada stock exchange reform apparently on present lines is destined to proceed on lines of self-government with the full cognizance of law officers. It is felt that complete knowledge made available at all times to securities commissioners and attorneys-general makes both for stability and progress on stable lines and is most advantageous to the public.

In the United States chief objections seem to be that stock exchange members and business men have little confidence that government agencies appointed will give a wise administration. The reformers are too obviously actuated by a desire to cure the disease even if it kills the patient. Richard Whitney, president of the New York Exchange calls the bill unworkable and destructive even after changes. He proposed that the Federal Reserve Board be given full power to fix margin requirements rather than a bill to set rigid rules. That board should be able to determine when there was "excessive use of credit for speculation."

War on Waste

Toronto operates a municipal abattoir, started years ago in the belief that the result would be lower priced meat for city consumers. In the last three years the losses have been as follows:

	1933 $	1932 $	1931 $
Revenue	97,780	100,128	101,367
Expenses	128,910	127,353	124,426
Deficits	31,130	27,225	23,059

And for 1934 expenditures have been estimated at $132,393, against revenue of $95,000, the estimated deficit being $37,393. Thus in years when packing houses have been improving their position, the Toronto municipal abattoir is doing the opposite. And no proof that the abattoir has lowered meat prices is available.

Although managements have been changed, and other efforts made to improve results, the Toronto abattoir has been a consistent loser. This is an instance of the ill success of governments competing in commercial fields, from which other municipalities may learn to their profit.

New Curb Member

D. F. O'SULLIVAN

Who was elected a member of the Montreal Curb Market on March 27.

SASK. COAL OUTPUT DOUBLES IN 5 YEARS

Reduced Freight Rates Have Helped Sales Across Prairies

From Our Own Correspondent

REGINA. — Saskatchewan's 1933 lignite coal production from its own mines is 50,000 tons short of 1,000,000 tons. This reveals an output which has doubled since 1928 when production was 464,428 tons. Each year slightly more than 100,000 tons has been added to the previous year's total.

Major production mines are in the Estevan and Bienfait areas of south-eastern Saskatchewan. Present freight rates allow them to serve practically all of southern Saskatchewan from a line slightly south of Saskatoon in the north and a little west of Swift Current in the west. Manitoba, the western portion, is also included. The lowest grade is sold at $4.75 a ton and deeper seams at an increase ranging to a little above a dollar more.

Salaries and wages for 1932 amounted to a little less than $700,000 but this figure will be passed for 1933 production. It is used in all of Saskatchewan's public buildings. At the end of the 1932 fiscal year the government had used 35,000 tons of lignite out of a total of 47,000 tons of all coal used. The only institutions not using lignite are those at Battleford where the long haul makes its use uneconomical.

Production is seasonal as the lignite shows poor storage qualities. As a result summer production is at a very low ebb. The falling off starts in March but picks up again in September.

Since May, 1930, the federal government has been assisting movement of Saskatchewan lignite to points as far east as Sioux Lookout and Fort Francis, Ontario.

CAN. CONS. FELT PROFITS LOWER ON SALES GAIN

Funded Debt Reduction Offset by Bank Loan

From Our Own Correspondent

MONTREAL—Canadian Consolidated Felt Co., controlled by Dominion Rubber Co., reports net sales in 1933 of $796,591, an increase over the $784,113 reported for 1932.

While the volume of business handled by the company was appreciably higher in 1933 than was the case in 1932, the increase in expenses resulted in an operating loss of $3,652 last year, compared with an operating profit of $33,886 in 1932. After providing for bond interest, depreciation, etc., there was a net loss in 1933 of $60,142, as against $25,305 in the previous year.

Particulars of the profit and loss account for the last three years follow:

	1933 $	1932 $	1931 $
Net sales	796,591	784,113	744,739
Expenses	800,243	750,226	739,806
Oper. prof.	*3,652	33,886	4,932
Bond. int. ...	11,240	11,722	11,857
Balance	†14,891	22,164	†6,954
Dep., etc.	45,251	47,469	33,584
Net loss ...	60,142	25,305	40,502
Prev. bal. ...	324,070	349,385	389,888
P. & L. bal.	263,938	324,080	349,385

*Operating loss.

†Deficit.

Working Capital Position

	1933 $	1932 $	1931 $
Cur. assets ..	149,048	183,841	191,058
Cur. liabs. ..	40,148	26,230	41,795
Work. cap..	109,900	157,611	149,263

Bank Loan of $13,000

No particular change is noted in the balance sheet, which at the end of 1933 showed assets totalling $2,495,280, as against $2,549,863 in 1932. A new item among the liabilities this year is a bank loan of $13,000. Current liabilities are much the same as in 1932, while the funded debt has been reduced from $195,000 to $185,000.

Contingent reserve has been increased from $4,522 to $6,194. There is no change in the outstanding capital stock, while the surplus shows a reduction from $324,080 to $263,937.

Cash Position Weaker

The principal change among the current assets is a reduction in liquid resources. Cash on hand has declined from $10,428 to $1,916, while government bonds held by the company have been reduced from $46,000 to $36,000. Inventories show a decline of about $8,000 to $83,571.

Investments in other companies is carried at the nominal figure of $1, while trustee cash, etc., has been increased from $14,949 to $25,857. A new item in the balance sheet this year is holdings of the company's own bonds, amounting to $1,610.

The property account is shown on the books at $392,449, compared with $424,699 in 1932. Prepaid expenses are small, while the goodwill account stands unchanged at $1,925,787.

DOMINION RUBBER CUTS FUNDED DEBT OVER $3,000,000

Advance in Operating Net Reduces Loss for 1933

From Our Own Correspondent

MONTREAL—Dominion Rubber Co.'s consolidated financial statement for 1933 shows not only a substantial improvement in earnings, but a reduction in funded debt of over $3,000,000.

Net sales of the system for last year amounted to $8,170,521. This compared with $8,320,972 in the previous year. A sharp reduction in operating costs left the company with an operating profit of $988,002, compared with $612,742 in 1932. Due to the reduction in the funded debt, etc., the income account shows a net loss for the year of only $231,128. This compares with $805,654 in the previous year.

Details of the consolidated statement of surplus and profits for 1933 together with comparative figures for 1932, follow:

	1933 $	1932 $
Sales	8,170,521	8,320,972
Expenses	7,182,519	7,708,230
Net revenue	988,002	612,742
Less: Bond Int.	475,478	556,000
Deprec.	550,128	531,504
Prov. idle plants ...	......	79,853
Adjust. invent.	......	37,000
Net loss	37,603	591,615
Add: Cost U. S. funds	36,588	......
Less: Adjust. sec. ...	16,074	......
Deficit	17,089	591,615
Add: Pfd. dividends .	210,000	210,000
Min. dividends	4,039	4,039
Net deficit	231,128	805,654
Brought forward	3,855,904	4,661,559
Carried forward	3,624,776	3,855,905

Sharp Cut in Debt

As already mentioned one of the important financial transactions undertaken by the company, last year, was to reduce its funded debt charges. The balance sheet at December 31 last, showed assets totalling $17,479,587, compared with $20,735,391 at the end of 1932.

At the beginning of the year the company had outstanding $8,000,000 of first and refunding 5 per cent bonds, all of which are held by the parent company, the United States Rubber Co. During the year the company paid $3,000,000 in U. S. funds to the trustee as part payment for these bonds. This reduced the amount outstanding to $5,000,000. At the same time the company held for redemption $95,500 of the 6 per cent collateral trust bonds, reducing the amount of that issue outstanding in the hands of the public to $2,504,500.

It is noted that in making the payment on the first and refunding mortgage bonds, the purchase of U. S. funds cost the company $36,588.

Other items among the liabilities show relatively little change from that reported in 1932.

Liquid Resources Change

Several important changes are noted among the assets. While cash on hand has increased from $594,202 to $1,184,063, loans receivable have been reduced to $467,539 from $2,900,750. Accounts receivable are lower by about a quarter of a million dollars at $756,332, while inventories have been reduced from $1,978,759 to $1,551,249.

Marketable securities held by the company have a market value of $121,875 compared with $94,687 a year ago. Other securities and mortgages held by the company are shown on the books at $230,405 compared with $322,309.

Property Account Lower

Property account, less reserve for depreciation, is shown in the 1933 statement at $8,809,963 compared with $9,281,715 in 1932. Prepaid and deferred assets show a reduction at $144,106.

Goodwill, patents and formulae remain unchanged at $4,214,052.

In his report to the shareholders, W. A. Eden, president, pointed out that during the year properties not operated by the company had a book value of $2,283,984. He also drew attention to the fact that interest on their funded debt will be further reduced during 1934.

Becomes Partner

G. STUART OSLER

Who has been admitted to partnership in the financial brokerage firm of Osler & Hammond, Toronto and Montreal. Mr. Osler, who has been associated with the firm for some years, is a son of the present senior partner, F. G. Osler, and is a grandson of the late Sir Edmund B. Osler, founder of the firm. He is a member of the Toronto Stock Exchange.

EXPORT VALUES PULP AND PAPER MOVE FORWARD

February Trade Returns Show Encouraging Increase

From Our Own Correspondent

MONTREAL—Exports of pulp and paper products from Canada during last February show an appreciable increase in value over that reported for the same month last year.

Returns compiled by the Dominion Bureau of Statistics show exports to the value of $6,501,559. This compares with $8,756,544 in January, 1934, and $5,882,740 in February, 1933.

Increased values were recorded on all products during last February compared with the same month in 1933. Newsprint was up about $130,000, while sulphite pulp showed an even greater gain.

Particulars of exports during February, 1934, and 1933 and January, 1934, follow:

	Feb. 1934 $	Jan. 1934 $	Feb. 1933 $
Paper:			
Newsprint ..	4,396,700	6,415,668	4,261,033
Others	290,208	366,812	210,481
Total	4,686,908	6,782,480	4,471,514
Pulp:			
Sulphate	277,119	323,110	234,337
Sulphite (bl.)	1,148,719	1,206,721	926,899
Sulphite (unbl.)	219,328	288,245	178,720
Mechanical ..	134,860	114,311	65,619
Screenings ...	7,994	17,086	4,448
N. O. P.	26,631	24,591	1,203
Total	1,814,651	1,974,064	1,411,226
Total P&P ..	6,501,559	8,756,544	5,882,740

Cumulative Gain Noted

Cumulative exports of pulp and paper products for the first two months of the current year amounted to $15,258,103 compared with $12,762,833 for the corresponding period of last year.

Paper exports advanced from $9,894,301 to $11,469,388, while pulp shipments increased in value from $2,868,532 to $3,788,715.

Exports for the first two months of the current year compare as follows:

	1934 $	1933 $
Paper:		
Newsprint	10,812,368	9,465,478
Others	657,020	428,823
Total	11,469,388	9,894,301
Pulp:		
Sulphate	600,229	401,680
Sulphite (bl.)	2,355,440	1,838,024
Sulphite (unbl.)	507,573	369,513
Mechanical	249,171	248,242
Screenings	25,080	6,284
N. O. P.	51,222	4,789
Total	3,788,715	2,868,532
Total P. & P.	15,258,103	12,762,833

Good Wool Year

Canadian Co-operative Wool Growers report that 1933 was one of the best years on record with the clip selling at about 100 per cent above the prices for the previous year and lamb prices also up.

February Advertising Records Good Advance

From Our Own Correspondent

MONTREAL.—Newspaper advertising linage in the United States, according to data compiled by Media Records Inc., and published in Editor and Publisher, amounted to 80,787,702 lines in February, 1934, compared with 72,538,858 lines for the same month last year, an increase of 11.4 per cent. This impressive gain is rather minimized, however, by knowledge of the fact that in February last year the bank holiday occurred in the United States, with a consequent sharp decline in the volume of advertising.

Classified advertising fell off in February. Department store and other retail advertising led the advance, with general advertising also going up. Automotive advertising, while far ahead of last year, did not do as well as might have been expected.

Fire Insurance Group and Company Experience, 1933

Lead Is Increased By Royal Group In Fire Insurance

But Little Change Shown in Ranking of Chief Fire Underwriters in Canada During Past Year in Respect of Net Premiums Written

LOSS RATIOS SHOW IMPROVEMENT

Financial Post Analysis Reveals Position of Company Groups and Individual Companies With Comparative Figures For Previous Years

Little change is shown in the ranking of leading fire insurance underwriters in Canada during 1933, according to the annual analysis of official returns compiled each year by The Financial Post. Standing of the 10 leading underwriters in Canada remains unchanged as compared with 1932, except that the Ontario Cash Mutual group improved their position.

One feature of the returns however is the manner in which Royal Insurance Co. has increased its leadership in the Canadian field, it being one of the very few companies to show increased volume of business written during the year. A year ago the volume of premiums written by Royal was little more than $500,000 greater than its nearest rival—London and Lancashire—this year the spread is nearly $900,000. Other companies or groups which increased their volume can be numbered on two hands and include: General of Paris; Muir Beddal (Canada) Ltd.; Canadian General; W. H. Burgess; Prudential of England; Provident; Grain Insurance; Pearl Assurance; Commerce Mutual.

Group and Tariff Experience Shown

As in the past, The Financial Post analysis is based on official returns supplied by G. D. Finlayson, federal superintendent of insurance, as far as Dominion registered companies are concerned and includes as well figures of the chief provincial licensed insurers supplied by the Ontario Insurance department. The figures are prepared on the basis of company or management "groups" and also on the basis of tariff and non-tariff experience.

Practically all companies and company "groups" show a substantial improvement in earned loss ratio as compared with 1932. One explanation of this however is the fact that for 1933, Superintendent Finlayson has requested that expenses of claims settlements be excluded from the amount of losses incurred. This is a new departure and is thought to affect the average loss ratio for all companies by between one and two per cent.

Ranking of underwriting groups and individual companies in Canada during 1933 on the basis of net premiums written and including all those with a volume of $200,000 or more in that year, is shown as follows, together with comparative figures for previous years.

RANKING OF LEADING FIRE UNDERWRITERS IN CANADA, 1933

Group Experience*	Net Premiums Written 1933 $	1932 $	Earned Loss Ratio 1933 %	1932 %	1931 %
Royal	2,750,567	2,603,351	46.58	56.16	53.2
London and Lancashire	1,878,119	2,063,639	46.15	54.99	60.0
Phoenix of London	1,745,969	2,034,055	53.77	56.42	60.2
Commercial Union	1,665,262	1,865,358	49.69	55.16	56.2
Liverpool & L. & G.	1,491,594	1,852,484	49.55	63.66	56.3
Home (I)	1,226,776	1,423,571	73.92	88.78	70.4
Shaw & Begg	1,073,111	1,396,486	42.49	64.43	59.6
Ontario Cash Mutuals	1,058,514	1,097,206	54.1	65.5	74.7
British America	1,048,945	1,249,321	43.83	55.32	60.3
Royal Exchange	1,013,103	1,149,710	43.12	50.71	49.9
Sun	1,011,048	1,196,105	52.81	57.84	62.7
Norwich Union	915,708	982,189	49.73	58.46	56.2
North British & Merc.	915,114	1,037,535	56.81	51.62	49.9
Massie, Renwick	895,268	924,117	36.03	48.34	55.9
Guardian	892,909	1,081,996	51.17	56.87	57.3
America Fire	887,655	969,331	45.81	57.82	60.1
Hartford	867,929	997,188	43.29	48.62	47.9
Wawanesa Mutual (I)	852,091	991,485	50.62	63.59	68.0
Northern	838,820	1,021,842	52.20	68.21	55.4
Eagle Star	738,754	854,529	47.74	53.39	58.9
J. E. Clement	741,436	864,082	54.44	58.35	68.2
Employers' Liability	734,510	777,744	37.20	57.08	52.5
Hardware Mutuals	715,629	759,063	26.08	50.31	39.8
North American	633,553	664,990	48.02	55.33	64.3
Phoenix of Hartford	632,149	758,320	44.02	57.24	52.9
Northwestern Mutual (I)	613,478	727,821	39.05	64.66	39.4
Prudential of Eng.	602,706	575,282	44.74	....	...
Great American	594,872	753,642	50.08	64.71	74.7
Willis, Faber	480,537	650,801	64.53	68.73	55.9
Atlas	584,328	657,643	42.88	55.00	59.3
Corroon & Reynolds	342,600	542,762	57.39	69.46	66.4
London Assurance	514,518	569,345	49.52	56.34	54.9
Provident	497,301	213,068	62.48	....	...
Grain Ins. & Guar. (I)	483,277	415,772	12.38	45.47	46.3
Century	461,452	525,319	53.00	58.29	45.7
Canadian Fire	450,559	480,868	38.01	40.81	51.3
Union of Canton	448,097	500,465	36.53	53.36	42.0
General Accident	435,136	455,429	45.24	40.62	52.6
Portage La Prairie Mutual (I)	434,794	485,192	48.23	89.00	74.1
Aetna Fire	423,006	455,043	36.56	54.15	47.4
Alliance Assur. (I)	409,584	412,913	40.62	50.67	66.9
Scottish Union	375,664	378,537	48.00	63.45	57.6
Caledonian	352,524	392,810	45.58	52.48	42.1
Yorkshire	334,389	350,705	44.00	53.68	62.1
General of Paris	324,412	301,301	56.86	62.69	58.1
Nat. Fire of Hart. (I)	318,982	335,208	69.58	62.90	55.8
Springfield	309,376	395,723	57.62	81.35	64.3
T. Meunier	208,445	453,307	49.54	....	...
Commerce Mutual (I)	278,749	246,921	52.91	46.55	46.0
Muir, Beddal, (Canada)	278,063	223,938	70.80	87.95	81.5
Canadian General	274,789	264,501	48.79	62.30	69.7
William Thompson	272,286	387,502	48.45	48.96	54.2
General of America (I)	271,574	305,188	31.73	72.15	37.2
Pearl Assur. (I)	267,056	138,794	37.18	58.46	74.5
Associated Reciprocal Exch.	259,877	286,705	16.64	35.97	...
U. S. Fire (I)	256,210	293,669	56.58	45.40	60.5
Mill Owners Mutual (I)	245,290	254,489	41.05	48.01	57.9
Firemen's Fund	241,914	265,144	49.91	71.16	62.0
St. Paul	230,914	286,784	41.02	89.20	54.3
Ocean Accident (I)	229,721	296,693	55.17	65.11	50.3
Dominion of Canada	216,719	235,167	30.94	39.34	33.2

* Individual companies marked "I."

Fire Insurance Experience in Canada, 1933 Analyzed by Groups and Individual Companies

Tariff Companies

GROUPS AND COMPANIES RANKED IN ORDER OF NET PREMIUMS WRITTEN

(Federal Insurance Departmental Figures except where stated otherwise).

	Net Premiums Written	Net Premiums Earned	Net Losses Incurred	Ratio of Losses Incurred to Premiums Earned		
(A) GROUP EXPERIENCE	$	$	$	1933 %	1932 %	1931 %
Royal Group						
Hudson Bay	197,281	192,650	98,653	51.21	53.12	54.21
Newark Fire	131,261	132,530	66,192	49.94	55.61	54.29
Pioneer Insurance	110,327	107,703	55,456	51.49	51.02	54.45
Queen Ins. of America	576,437	558,289	283,464	50.77	53.79	53.99
Royal Insurance	1,735,261	1,764,791	779,883	44.19	57.55	52.85
Total	**2,750,567**	**2,755,963**	**1,283,648**	**46.58**	**56.16**	**53.20**
London & Lancashire Group						
Law, Union & Rock	296,129	325,289	150,537	46.28	54.56	59.94
London & Lancashire Insur.	1,028,041	1,079,882	487,397	45.13	59.99	67.21
London & Lancashire G. & A.	27,048	26,787	9,157	34.18	39.00	46.25
Mercantile Fire	103,523	111,282	34,329	30.85	43.15	42.44
Quebec Fire	135,570	148,357	56,425	38.03	52.11	45.91
†Queen City	77,207	86,350	49,381	57.19	39.56	60.72
†Hand-in-Hand	46,624	50,464	43,724	86.64	57.34	55.25
†Merchants	163,977	180,002	95,957	53.31	44.51	44.10
Total	**1,878,119**	**2,008,413**	**926,907**	**46.15**	**54.99**	**60.00**
† Provincial licensed companies. Official figures.						
Phoenix of London Group						
Acadia	205,723	218,831	108,319	49.50	56.56	58.96
Columbia	68,574	72,943	35,856	49.16	56.57	55.99
Imperial Assur.	137,149	145,997	71,711	49.12	56.61	57.55
London Guar. & Accident	137,149	145,888	72,212	49.50	56.93	41.63
North Empire Fire	137,149	145,888	71,711	49.15	56.70	54.12
Phoenix Assurance	874,666	1,009,798	582,322	57.66	55.87	63.05
Union Marine Ins. Co.	116,985	127,377	64,940	50.98	59.71	66.12
United Firemen's	68,574	72,943	35,856	49.16	56.57	59.76
Total	**1,745,969**	**1,939,665**	**1,042,927**	**53.77**	**56.42**	**60.20**
Commercial Union Group						
Commercial Union Assurance	676,390	679,565	347,640	51.16	56.64	54.50
Commercial Union Fire	21,683	16,814	7,662	45.57	52.27	67.29
Palatine Insurance	194,660	243,113	123,927	50.98	64.79	51.90
British & European	42,729	45,824	22,260	48.58	35.51	67.64
British General	71,253	81,369	36,384	44.71	51.24	78.32
California	40,903	59,316	34,800	58.67	72.93	59.48
Canada Acc. & Fire	188,571	184,191	87,337	47.42	48.70	52.05
North West Fire	67,824	76,198	36,337	47.69	45.90	54.76
American Central	83,828	78,617	37,469	47.66	56.73	100.46
Union of London	277,421	347,719	166,848	47.98	51.03	45.70
Total	**1,665,262**	**1,812,726**	**900,664**	**49.69**	**55.16**	**56.20**
Liverpool & London & Globe Group†						
Central Insurance	127,889	122,477	60,645	49.52	38.00	49.48
Globe Indemnity of Canada	159,903	153,138	75,806	49.50	51.68	51.60
Liverpool & London & Globe	1,152,384	1,246,251	612,221	49.13	71.67	57.38
Liverpool-Manitoba	255,847	245,081	121,289	49.49	51.08	55.86
National-Liverpool	129,456	124,044	60,645	48.89	53.97	57.06
Globe & Rutgers	—333,885	213,387	112,037	52.50	71.71	59.67
Total	**1,491,594**	**2,104,378**	**1,042,643**	**49.55**	***63.66**	***56.30**
* Excluding Globe & Rutgers.						
† If Globe & Rutgers business (reinsured April, 1932) is excluded, net premiums written for the group would total $1,825,479, and the earned loss ratio would be 49.23% for 1933.						
Home Group*						
Home Ins.	1,226,776	1,356,888	1,003,069	73.92	88.78	70.42
*All Home business reinsured in Home Insurance Co.						
British America-Western Group						
British America	343,402	373,428	165,051	44.20	53.66	59.52
British Canadian	60,824	55,855	24,898	44.58	53.65	63.49
British Empire Assurance	86,795	110,195	48,169	43.71	54.53	61.91
Imperial Guar. & Accid.	42,581	49,871	22,441	45.00	53.65	61.02
Western Assurance	438,910	529,858	235,699	44.48	53.67	59.71
North River Ins.	76,433	83,416	30,903	37.05	75.78	61.28
Total	**1,048,945**	**1,202,623**	**527,161**	**43.83**	**55.32**	**60.30**
Royal Exchange Group						
Car & General	143,615	147,233	48,722	33.09	52.68	39.88
Local Government	57,855	64,751	29,464	45.50	45.12	40.44
National Provincial	117,969	124,322	68,878	55.40	55.09	40.48
Royal Exchange	478,227	523,245	230,727	44.10	47.47	57.27
State Assurance	98,131	103,299	48,724	47.17	36.50	49.07
Motor Union	66,597	82,642	29,298	35.45	38.98	53.21
United British	55,709	65,481	23,280	35.55	39.22	36.22
Total	**1,013,103**	**1,110,973**	**479,093**	**43.12**	**50.71**	**49.90**
Sun Group						
Imperial Insurance	118,799	125,202	61,555	49.16	43.87	54.79
Patriotic Assurance	132,961	137,821	85,477	62.02	71.58	69.47
Planet Assurance	73,275	87,874	35,235	40.10	61.34	77.29
Sun Insurance	616,832	681,940	359,379	52.70	57.64	60.77
London & County	69,181	60,159	35,591	59.16	48.66	....
Total	**1,011,048**	**1,092,996**	**577,237**	**52.81**	**57.84**	**62.70**
Norwich Union Group						
Canada Security	134,596	143,790	64,868	45.11	50.12	44.74
Norwich Union	781,112	812,528	410,732	50.55	59.91	58.07
Total	**915,708**	**956,318**	**475,600**	**49.73**	**58.46**	**56.20**
North British & Mercantile Group						
North British	732,365	796,012	472,415	59.35	55.31	50.37
Occidental Fire	142,636	170,376	80,212	47.08	42.88	45.04
Railway Passengers	40,113	41,084	19,683	47.91	19.08	65.63
Total	**915,114**	**1,007,472**	**572,310**	**56.81**	**51.62**	**49.90**
Guardian Group						
Guardian Assurance	784,316	882,427	449,962	50.99	57.45	56.93
Guardian of Canada	108,593	121,355	63,722	52.51	52.59	60.74
Total	**892,909**	**1,003,782**	**513,684**	**51.17**	**56.87**	**57.30**
America Fore Group						
Continental Insurance	310,646	352,347	149,363	42.39	62.40	54.88
Fidelity-Phenix of N. Y.	310,733	337,909	154,889	45.84	57.35	50.45
First American	45,613	56,034	41,633	74.30	45.85	46.09
Maryland Insurance	67,964	67,814	36,305	53.54	50.52	73.30
Niagara Fire	152,699	168,077	67,723	40.29	57.04	90.17
Total	**887,655**	**982,201**	**449,913**	**45.81**	**57.82**	**60.10**
Hartford Group						
Citizens of New Jersey	28,273	30,159	5,374	17.82	58.39	32.75
Hartford Fire	703,266	776,926	329,990	42.47	47.74	46.72
London-Canada	136,390	149,242	78,659	52.71	51.05	53.29
Total	**867,929**	**956,327**	**414,023**	**43.29**	**48.62**	**47.90**
Northern Group						
Northern Assurance	449,833	519,200	272,374	52.46	62.54	52.07
Royal Scottish	115,798	133,085	81,803	61.47	75.29	46.42
World Marine & Gen.	60,902	69,843	53,969	77.27	108.01	63.42
London & Scottish	86,809	88,459	38,922	44.00	48.43	56.70
Scottish Metropolitan	125,478	142,510	50,410	35.37	75.03	69.54
Total	**838,820**	**953,097**	**497,478**	**52.20**	**68.21**	**55.40**
Eagle Star Group						
British Crown Assur.	258,694	294,450	178,717	60.70	67.34	55.41
British Northwestern	168,615	169,106	85,795	50.73	42.35	46.55
Eagle, Star & British Dom.	311,445	339,154	118,730	35.01	46.22	67.42
Total	**738,754**	**802,710**	**383,242**	**47.74**	**53.39**	**58.90**
Employers' Liability Group						
Employers' Liab.	585,076	614,106	224,280	36.52	62.55	54.12
Merchants Marine	149,434	159,002	63,316	39.82	37.23	46.66
Total	**734,510**	**773,108**	**287,596**	**37.20**	**57.08**	**52.50**
North America Group						
Alliance Ins.	111,356	115,888	49,538	42.75	58.01	75.24
Ins. Co. of N. A.	491,261	525,483	258,273	49.15	55.99	63.15
Philadelphia Fire & Marine	30,936	25,678	12,529	48.79	52.13	7.19
Total	**633,553**	**667,050**	**320,340**	**48.02**	**55.33**	**64.30**
Phoenix of Hartford Group						
Connecticut Fire	141,014	159,189	67,562	42.44	56.75	51.09
Equitable Fire & Marine	28,208	31,838	13,512	42.44	56.76	51.07
Phoenix of Hartford	233,680	263,799	111,959	42.44	56.75	51.07
Reliance of Canada	63,220	72,360	22,879	31.62	37.53	48.75
Westchester Fire	93,130	114,808	54,145	47.16	51.96	55.96
Providence Washington	72,902	85,562	50,248	58.73	82.74	60.11
Total	**632,149**	**727,556**	**320,305**	**44.02**	**57.24**	**52.90**
Prudential Group						
Prudential	470,936	489,760	218,199	44.55	73.01	46.26
Bee	131,790	59,854	27,722	46.32	....	....
Total	**602,726**	**549,614**	**245,921**	**44.74**	**....**	**....**
Great American Group						
American Alliance	47,125	53,905	29,162	54.10	70.62	89.82
Great American	535,966	642,585	318,838	49.62	64.01	69.69
County Fire	11,781	13,024	7,291	55.98	78.05	101.07
Total	**594,872**	**709,514**	**355,291**	**50.08**	**64.71**	**74.70**
Atlas Group						
Atlas Assurance	505,493	565,799	245,700	43.48	55.56	60.79
Essex & Suffolk	78,835	76,548	29,722	38.83	50.49	46.36
Total	**584,328**	**642,347**	**275,422**	**42.88**	**55.00**	**59.30**
London Assurance Group						
British Law	82,419	76,692	37,760	49.24	20.98	86.77
London Assurance	368,158	398,917	197,755	49.57	68.08	47.67
Guildhall Ins.	63,941	74,918	37,097	49.52	54.58	65.86
Total	**514,518**	**550,527**	**272,612**	**49.52**	**56.34**	**54.90**
Century Group						
Anglo-Scottish	147,285	156,588	75,023	47.91	55.95	44.15
Pacific Coast Fire	115,791	121,915	61,028	50.06	54.89	48.51
Southern Insurance	63,718	43,015	20,488	47.63	27.91	13.88
Century Insurance	134,658	175,508	106,904	60.91	63.44	46.45
Total	**461,452**	**497,026**	**263,443**	**53.00**	**58.29**	**45.70**
Canadian Fire Group						
Canadian Fire	334,177	368,342	135,390	36.76	38.81	50.48
Canadian Indemnity	116,382	121,259	50,703	41.81	47.09	53.19
Total	**450,559**	**489,601**	**186,093**	**38.01**	**40.81**	**51.30**
Union of Canton Group						
Beaver Fire	27,058	28,923	9,054	31.30	33.88	42.51
British Traders	153,591	158,826	67,234	42.33	39.19	48.20
China Fire	21,164	21,787	4,634	21.27	144.98	57.85
Union of Canton	246,284	272,112	95,157	34.97	54.43	37.19
Total	**448,097**	**481,648**	**176,079**	**36.53**	**53.36**	**42.00**
General Accident Group						
General of Canada	79,187	83,361	27,952	33.53	44.61	43.42
General Acc. of Perth	277,916	285,916	147,351	51.54	39.64	53.73
Scottish Canadian	78,033	75,281	25,812	34.31	40.10	57.91
Total	**435,136**	**444,508**	**201,115**	**45.24**	**40.62**	**52.60**
Aetna Fire Group						
Aetna Insurance	351,538	367,949	274,951	74.73	50.54	47.21
World Fire & Marine	71,468	79,255	38,077	48.04	68.80	48.20
Total	**423,006**	**447,204**	**313,028**	**36.56**	**54.15**	**47.40**
Scottish Union Group						
Scottish Union	357,633	368,970	178,130	48.28	64.14	58.02
Central Union	18,031	14,613	5,993	41.01	43.92	44.76
Total	**375,664**	**383,583**	**184,123**	**48.00**	**63.45**	**57.60**
Caledonian Group						
Caledonian	305,111	330,573	153,645	46.48	53.85	43.90
Caledonian-American	47,413	51,636	20,570	39.84	44.36	31.07
Total	**352,524**	**382,209**	**174,215**	**45.58**	**52.48**	**42.10**
Yorkshire Group						
London & Provincial	40,925	40,898	18,138	44.35	81.14	68.63
Yorkshire Insurance	293,464	311,877	137,074	43.95	49.98	61.18
Total	**334,389**	**352,775**	**155,212**	**44.00**	**53.68**	**62.10**
General of Paris Group						
General of Paris	168,471	164,810	93,501	56.73	66.58	56.36
Phenix Fire of Paris	155,941	156,241	89,056	57.00	58.59	59.98
Total	**324,412**	**321,051**	**182,557**	**56.86**	**62.69**	**58.10**
Springfield Group						
Sentinel Fire	7,120	8,515	4,798	56.35	72.65	57.29
Springfield F. & M.	273,775	309,166	180,285	58.31	82.64	60.31
Michigan Fire	28,481	36,822	19,191	52.12	73.48	93.94
Total	**309,376**	**354,503**	**204,274**	**57.62**	**81.35**	**64.30**
Muir Beddal (Canada) Ltd. Group						
Legal and General	191,741	172,152	115,044	66.83	89.78	81.49
Urbaine	86,322	50,494	42,593	84.35	71.57	....
Total	**278,063**	**222,646**	**157,637**	**70.80**	**87.95**	**81.49**
Wm. Thompson Group						
Security of New Haven	75,780	92,435	38,417	41.56	48.54	59.06
American Insurance	87,557	103,340	44,716	43.27	54.07	60.47
Fire Assoc. of Philadelphia	89,562	111,367	54,193	48.66	48.44	48.08
Insurance Co. of Penn.	19,387	53,750	37,525	69.81	61.82	63.14
Total	**272,286**	**360,892**	**174,851**	**48.45**	***48.96**	***54.23**
* Without Insurance Co. of Penn., but including Universal experience.						
Firemen's Fund Group						
Firemen's Fund	166,992	187,251	97,762	52.21	73.83	61.33
Home Fire & Marine	74,922	72,062	31,667	43.94	62.36	66.08
Total	**241,914**	**259,313**	**129,429**	**49.91**	**71.16**	**62.00**
St. Paul Group						
Mercury Insurance	70,388	88,373	31,235	35.34	70.26	59.18
St. Paul Fire & Marine	159,926	193,464	84,365	43.61	97.04	52.60
Total	**230,914**	**281,837**	**115,600**	**41.02**	**89.20**	**54.30**
Dominion of Canada Group						
Casualty Co. of Canada	37,585	37,119	17,534	47.24	50.72	18.80
Dominion of Canada General	179,134	197,614	55,087	27.88	37.26	35.80
Total	**216,719**	**234,733**	**72,621**	**30.94**	**39.34**	**33.20**
Dale and Co. Group						
Hanover Fire	79,828	99,990	47,403	47.41	64.08	72.74
National Union	97,871	125,869	63,833	50.71	72.35	59.26
Total	**177,699**	**225,859**	**111,236**	**49.25**	**68.39**	**64.88**
R. de Grandpré Group						
Granite State Fire	26,814	27,941	14,388	51.49	63.02	78.33
New Hampshire Fire	125,612	140,926	81,016	57.49	56.86	68.90
Total	**152,426**	**168,867**	**95,404**	**56.50**	**57.87**	**70.20**
W. H. Burgess Group						
Camden Fire	48,956	44,004	25,464	57.87	73.47	85.99
Canadian Surety Co.	37,580	33,707	14,670	43.52	60.16	60.19
Total	**86,536**	**77,711**	**40,134**	**51.65**	**67.69**	**76.00**
(b) Individual Companies						
Grain Ins. & Guar.	483,277	497,200	61,573	12.38	45.47	46.26
Alliance Assurance	409,584	412,596	167,614	40.62	50.67	66.86
Nat. Fire of Hartford	318,982	348,548	242,505	69.58	62.90	55.84
Pearl Assurance	267,056	219,254	81,512	37.18	58.46	74.52
United States Fire	256,210	261,563	147,992	56.58	45.40	60.49
Ocean Accident & Guar.	229,721	274,902	151,673	55.17	65.11	50.26
Union of Paris	173,072	191,188	121,361	63.48	82.18	62.88
Travelers Fire	151,311	126,736	41,119	32.44	79.36	39.51
Glens Falls	141,978	131,347	99,640	75.86	74.86	48.46
Sea Insurance	106,436	115,920	63,809	55.05	58.21	68.14
British Oak	104,288	108,350	69,706	64.33	63.67	72.06
Agricultural Co. of N. Y.	72,164	60,741	31,982	52.65	85.42	65.96
Boston Ins.	62,975	64,151	26,862	41.87	66.37	75.46
Rhode Island	53,846	42,071	15,455	36.74	63.51	....
Bankers and Traders	35,547	32,699	11,153	34.11	39.46	42.06
Tokio Marine & Fire	32,909	22,621	20,729	91.64	29.66	47.95
New York Underwriters	32,682	32,296	11,830	32.59	40.28	45.88
Transcontinental	19,435	17,799	9,922	55.74	102.13	14.91
Queensland	9,126	10,524	132	1.25	109.72	23.92
Total Tariff Companies	**32,716,629**	**35,632,723**	**17,480,702**	**49.10**	**59.5**	**58.0**

Non-tariff Companies

(1) JOINT STOCK COMPANIES

	Net Premiums Written	Net Premiums Earned	Net Losses Incurred	Ratio of Losses Incurred to Premiums Earned		
(A) Groups	$	$	$	1933 %	1932 %	1931 %
Shaw & Begg Group						
Consolidated	64,339	50,771	31,501	62.05	96.89	102.90
†Federal	183,027	184,186	86,789	47.12	55.67	56.60
Lumbermen's Insurance	82,561	76,508	37,445	48.94	51.42	48.94
Merchants' Fire Assur.	188,598	204,651	78,543	38.38	63.25	52.37
Millers National	142,374	134,626	52,830	39.24	73.93	68.23
New Jersey Insurance	50,260	51,799	17,767	34.30	54.65	39.72
Pacific Fire	249,329	272,108	103,495	38.03	71.84	66.91
*Stuyvesant	102,734	39,733	16,920	42.58	73.85	68.73
†Wellington	220,357	224,553	101,166	45.05	50.27	52.28
Total	**1,073,111**	**1,238,935**	**526,456**	**42.49**	**64.43**	**59.62**
* All Canadian business reinsured April, 1933, with Pearl Assurance Co.						
† Provincial licensed company. Official figures.						
Massie & Renwick Group						
Dominion Fire	275,426	276,652	107,744	38.95	47.05	47.54
Ensign Insurance	64,153	66,682	24,915	37.36	39.05	52.94
Firemen's Ins.	167,818	184,039	68,395	37.16	50.08	58.47
Girard Fire & Marine	30,119	28,246	9,763	34.56	78.94	66.73
National Ben Franklin	170,289	183,228	60,921	33.25	53.48	64.01
Northwestern National	187,463	192,043	63,687	33.16	42.00	54.73
Total	**895,268**	**930,890**	**335,425**	**36.03**	**48.34**	**55.90**
J. E. Clement Ins. Group						
Fire Ins. of Canada	282,531	293,505	145,990	49.74	57.47	61.59
Nationale	458,905	501,797	286,942	57.18	55.52	71.86
Total	**741,436**	**795,302**	**432,932**	**54.44**	**58.35**	**68.16**
Provident Group						
British Colonial	98,350	149,006	103,661	69.57	74.60	....
Provident	155,976	151,049	104,600	69.26	94.91	....
Prevoyance of Paris	68,577	55,743	29,680	53.24	52.73	106.13
Trans-Canada	174,398	155,415	81,486	52.43	57.94	70.35
Total	**497,301**	**511,213**	**319,427**	**62.48**	**....**	**....**
Willis, Faber Group						
Provincial Ins.	258,576	270,165	172,189	63.73	82.14	50.83
Cornhill Ins.	221,781	229,259	148,824	64.92	58.44	53.83
Total	**480,357**	**499,424**	**321,013**	**64.53**	**†68.73**	**†55.90**
† Including other companies not in group in 1933.						
Corroon & Reynolds Group						
Merchants & Manufacturers	164,396	170,058	101,534	59.71	74.45	55.76
American Equitable of N.Y.	178,204	136,114	74,204	54.52	55.84	81.09
Total	**342,600**	**306,172**	**175,738**	**57.39**	**†69.46**	**†66.40**
† Including other companies not in group in 1933.						
Canadian General Group						
†Toronto General	142,367	142,279	76,225	53.57	65.62	74.41
Canadian General	132,422	125,204	54,273	43.35	58.54	64.01
Total	**274,789**	**267,483**	**130,498**	**48.79**	**62.30**	**69.67**
† Provincial licensed company. Official figures.						
T. Meunier Group						
Rossia Insurance	127,164	151,760	70,604	46.52	58.09	66.45
Metropolitan Fire	81,281	94,530	51,362	54.33	72.79	....
Total	**208,445**	**246,290**	**121,966**	**49.54**	**68.9†**	**....**
† Including other companies not in group in 1933.						
(b) Individual Companies						
General of America	271,574	265,895	84,375	31.73	72.15	37.25
Halifax Fire	210,159	198,271	93,144	46.98	71.01	62.39
New York Fire	176,789	180,314	93,987	52.12	72.70	66.60
La Fonciere	138,208	138,047	58,126	42.11	68.44	71.70
Baloise Fire	134,966	127,402	68,655	53.89	77.86	77.28
American Reserve	81,597	84,554	40,770	48.22	74.01	104.74
American Home Fire	76,560	100,213	69,330	69.18	69.39	64.37
Sussex Fire	48,182	49,072	25,011	50.97	85.61	71.78
†Pilot	20,016	16,246	13,809	84.71	112.74	29.74
Lincoln Fire of N. Y.	19,179	47,462	24,826	52.31	167.80	106.09
Automobile	2,730	1,200	589	49.08	19.26	0.72
Merchants and Traders	504	5,641	141	2.50	72.17	87.05
*American Colony	None	44,663	192	0.43	82.59	66.97
Total Non-Tariff Joint Stock	**5,655,413**	**6,010,026**	**5,447,714**	**48.93**	**65.9**	**61.8**
† Provincial licensed company. Official figures.						
* All Canadian business reinsured with Home Insurance Co., Dec., 1932.						

MUTUAL COMPANIES

	Net Premiums Written	Net Premiums Earned	Net Losses Incurred	Ratio of Losses Incurred to Premiums Earned		
(A) Groups	$	$	$	1933 %	1932 %	1931 %
Ontario Cash Mutuals Group†						
Economical Mutual	265,224	276,505	126,079	45.3	67.2	60.4
Gore District Mut.	283,216	273,410	124,795	45.7	72.3	69.9
Perth Mutual	193,398	201,061	119,944	59.9	61.7	80.5
Waterloo Mutual	316,677	317,787	208,643	65.6	60.4	87.1
	1,058,514	**1,068,763**	**578,462**	**54.1**	**65.5**	**74.7**
Hardware Mutual Group						
Hardware Dealers Mutual	238,543	248,031	64,682	26.08	50.31	39.80
Minnesota Implement Fire	238,543	248,031	64,682	26.08	50.31	39.80
Retail Hardware Mutual	238,543	248,031	64,682	26.08	50.31	39.80
Total	**715,629**	**744,093**	**194,046**	**26.08**	**50.31**	**39.80**
Lumbermen's Mutual Group						
Central Manufacturers Mutual	74,777	77,806	18,397	23.64	65.54	34.54
Lumbermen's Mut. of Mansfield	62,729	71,352	27,945	39.16	81.83	25.31
Total	**137,506**	**149,158**	**46,342**	**31.07**	**73.95**	**29.00**
(b) Individual Companies						
Wawanesa Mutual	852,091	850,159	430,354	50.62	63.59	68.01
Northwestern Mutual	613,473	671,447	262,209	39.05	64.66	39.44
Portage La Prairie	434,794	479,747	239,389	48.23	89.00	74.11
†Union Mutual	358,547	270,389	122,923	45.52	....	....
Commerce Mutual	278,749	263,918	139,668	52.91	46.55	45.99
Millowners Mutual	245,290	247,686	101,675	41.05	48.01	57.89
United Mutual	104,080	105,321	55,775	52.96	53.96	52.00
Lumber Mut. of Boston	86,962	90,893	56,167	61.79	87.50	....
Pennsylvania Lumbermen's	51,175	52,670	25,291	48.02	159.31	187.49
Indiana Lumbermans	45,875	50,152	22,019	43.91	166.63	....
Kings Mutual	40,753	43,072	16,343	37.94	88.41	53.49
Ohio Farmers	34,286	34,904	12,274	35.17	61.68	13.63
Retail Lumbermans	32,283	16,695	6,015	36.03	....	....
Pictou County Mut.	9,958	8,225	4,744	57.68	112.25	54.88
Cumberland Farm Mut.	3,136	3,463	1,085	31.33	41.31	50.51
Antigonish Farm Mut.	2,576	3,420	2,058	60.18	113.44	106.07
Total Mutual Co's	**5,102,677**	**5,154,175**	**2,316,309**	**....**	**....**	**....**
† Provincial licensed companies. Official figures.						

RECIPROCAL COMPANIES

	Net Premiums Written $	Net Premiums Earned $	Net Losses Incurred $	1933 %	1932 %	1931 %
Associated Reciprocal Underwriters Group						
Affil. Underwriters	76,438	74,593	12,069	16.18	67.36	....
Fireproof Sprinklered	7,704	8,782	1,521	17.32	2.97	....
Individual Underw.	73,866	81,846	21,518	26.29	20.19	....
Metropolitan Inter-Insurers	47,649	51,823	7,909	15.26	40.33	....
N. Y. Reciprocal	54,220	60,617	3,193	5.27	22.42	....
Total	**259,877**	**277,661**	**46,210**	**16.64**	**35.97**	**....**
Lumbermen's Und. Alliance Group						
Inter. Insurers Exch.	2,036	1,981	433	21.86	79.57	....
Lumbermans U. Alliance	106,582	131,213	64,551	49.20	298.05	....
Underwriters' Exchange	9,798	9,454	602	6.37	11.76	....
Total	**118,415**	**142,648**	**65,586**	**45.98**	**281.86**	**....**
Individual Companies.						
American Exchange U.	12,640	12,025	438	3.64	1.56	....
Manufacturing Lumbermans	113,314	116,789	82,953	71.03	206.40	....
TOTAL RECIPROCALS	**504,246**	**549,123**	**195,187**	**35.55**	**....**	**....**
TOTAL NON-TARIFF CO'S	**11,262,336**	**11,713,324**	**5,447,714**	**46.56**	**69.1***	**60.4***
GRAND TOTAL FIRE CO'S	**43,978,966**	**47,390,707**	**22,928,608**	**48.37**	**61.5***	**57.9***

*Exclusive of Ontario cash mutuals in 1931 and 1932.

DEPENDABILITY

From its organization in 1896 to December 31, 1933, the U. S. F. & G. paid out in claims and adjustment expenses a total of

$331,523,610.17

Its surplus as regards policyholders is in excess of

$7,000,000.00

It has on deposit in approved securities with the Government of the Dominion of Canada for the protection of its Canadian policyholders

$1,115,000.00

Owns Canadian securities having a market value at December 31, 1933, of

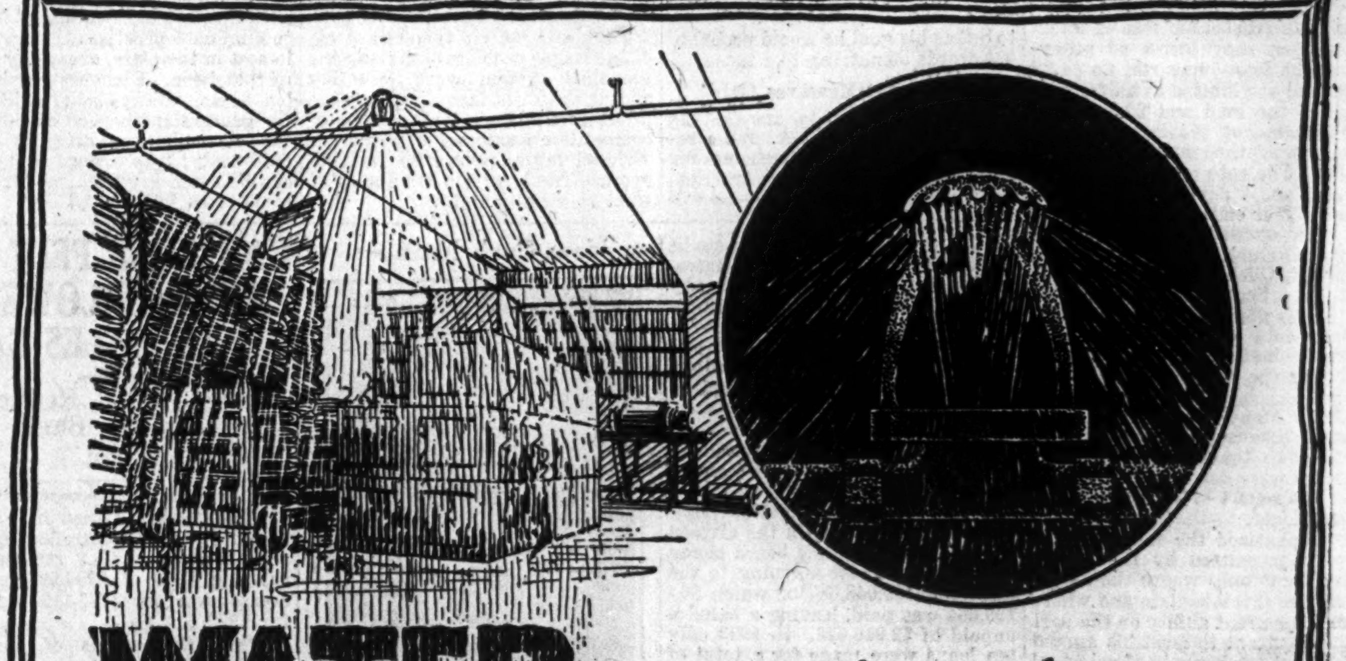
$2,776,000.00

These figures attest the dependable and enduring protection afforded by this Organization throughout thirty-eight years of public service.

United States Fidelity and Guaranty Company

Head Office for Canada
36 Toronto Street, Toronto

A. E. KIRKPATRICK—General Manager
SIDNEY W. BAND—Assistant General Manager



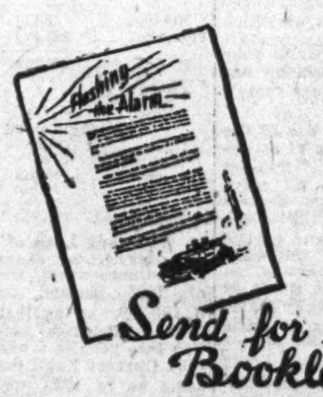
WATER can do almost as much damage as FIRE*

* Here's a good reason why Every Sprinkler System should be supervised by D. E. P. Service

Speed counts in bringing the fire brigade quickly to the fire. If a building is equipped with a D.E.P. Sprinkler Supervisory System, connected with a D.E.P. Central Station, the alarm of fire will be transmitted when the first sprinkler head opens. This prevents serious losses from fire and water.

The second important feature is that a signal is automatically transmitted to the D.E.P. Central Station if anything goes wrong with the sprinkler, indicating the nature of the trouble. This insures the sprinkler being in proper operative condition at all times.

Attached to an automatic sprinkler the D.E.P. Service provides complete protection, and brings assistance in case of emergency. It takes the place of and is accepted by Fire Underwriting Boards in lieu of a watchman.



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Other Dominion Protective Services—
Burglar Alarm Systems Automatic and Manual Fire Alarms
Night Watch Patrol Systems.

DOMINION ELECTRIC PROTECTION COMPANY

Central Stations
TORONTO HAMILTON MONTREAL LONDON QUEBEC WINNIPEG OTTAWA

Accident and Sickness Loss Ratio Improved

Volume Slightly Lower But Losses Also Decline — Sickness Losses Are Highest

Despite the loss of employers' liability and workmen's compensation as a major branch of casualty business, the underwriting of accident and sickness continues as one of the most important branches of the business. In 1932 the total volume of this business written by federal registered companies was considerably over the $7,000,000 mark.

In practically every group an improvement was shown in loss ratios for 1933 although sickness underwriting continues as in the past to be apparently the most unprofitable branch of the business.

Comparative figures analyzed by The Financial Post according to "groups," follow:

Accident and Sickness

(Dominion Licensed Companies)

(A)—Group Experience:

	Net premiums written $	Net losses incurred $	Ratio %
Shaw & Begg Group			
Consol. Fire	22,918	10,924	47.7
Lloyds Casualty	—4	......	....
	22,914	10,924	47.7
Yorkshire Group			
Lon. & Prov. Mar.	3,005	2,028	67.5
Yorkshire Insur.	38,228	22,815	59.7
	41,233	24,843	60.2
(B)—Individual Companies:			
Aetna Life	34,398	24,589	71.5
Casualty Company	1,012	626	61.8
Confed. Life	25,038	19,475	77.8
Dom. of Can. Gen.	11,652	5,011	43.0
Empl. Reinsurance	9,834	6,810	69.2
Fidelity & Cas.	4	......	....
Gen. Acc. of Can.	102,607	56,051	54.6
Gen. Acc. F. & L.	13,071	10,958	83.8
London G. & Acc.	24,717	12,672	51.3
London Life	158,201	122,067	77.2
Loyal Protective	216,683	122,231	56.4
Merchants' Cas.	164,448	87,021	52.9
Metropolitan Life	301,817	198,518	65.8
North Amer. Acc.	74,516	27,742	37.2
Protective Assoc.	356,680	253,687	71.1
Prudential Assur.	3,651	646	17.7
Prudential Insur.	3,211	28	0.9
Provident*	68,068	29,703	43.6
Sun Insur. Office	3,901	2,505	64.2
Grand Total, 1933	1,569,588	986,404	62.8
1932	1,636,395	1,082,142	66.1

Personal Accident

(Official Government Figures)

(A)—Group Experience:

	Net premiums written $	Net losses incurred $	Ratio %
British Amer.-Western			
British America	14,782	6,950	47.0
Western Assur.	25,311	11,236	44.4
British Canadian	3,681	2,055	55.8
British Empire	9,519	5,357	56.3
Imperial G. & A.	86,784	48,553	55.9
	140,077	74,151	52.9
Commercial Union			
Canada Acc. & F.	59,242	17,654	29.8
Union Ass. Soc.	14,865	13,800	92.8
Comm. Union	6,760	2,408	35.6
	80,867	33,862	41.9
Dom. of Canada			
Cas. Co. of Can.	34,101	18,420	54.0
Dom. of Can. Gen.	245,197	121,711	49.6
	279,298	140,131	50.2
General Accident			
Gen. Acc. of Can.	89,816	53,775	59.9
Gen. Acc. F. & L.	20,174	11,135	55.5
Gen. Cas. of Paris	29,571	8,352	28.2
	139,561	73,262	52.5
London & Lancashire			
London & Lanc. G. & A.	40,745	18,075	44.4
Law Union & Rock	9,002	4,910	54.5
	49,747	22,985	46.2
North British			
North British	18,775	5,663	30.2
Rly. Passengers	38,117	15,438	40.5
Occidental Fire	1,955	1,970	100.8
	58,847	13,071	22.2
Northern			
Lond. & Scottish	1,155	55	4.8
Northern Assur.	15,120	17,768	117.5
Scottish Metrop.	6,274	3,024	48.2
World Marine	5,698	5,836	102.4
	28,247	26,683	94.5
Norwich Union			
Canada Security	5,833	3,136	53.8
Norwich Union	44,948	26,367	58.9
	50,781	29,503	58.1
Phoenix England			
London G. & A.	59,229	34,112	57.6
Union Marine	7,816	2,986	38.2
Phoenix	6,113	4,149	67.9
	73,158	41,247	56.4
Royal Exchange			
Royal Exchange	15,683	7,048	44.9
Car & Gen. Insur.	6,453	3,916	60.7
Motor Union Ins.	2,903	690	23.8
	25,049	11,654	46.5
Royal, Liver. & L. & G.			
Globe Indem.	98,553	49,053	49.8
Liver. & L. & G.	7,859	2,946	37.5
Royal Insur.	110,879	62,047	56.0
Hudson Bay Ins.	......	......	....
	217,291	114,046	52.5
Shaw & Begg			
Lloyd's Casualty	......	......	....
Consolidated	877	......	....
	877	......	....
Sun			
Sun Insurance	8,661	2,447	28.2
Imp. Insurance	3,189	—1,642	....
	11,850	805	6.8
U. S. Fidelity			
Fid. Ins. Co. of C.	6,787	1,047	15.4
U. S. Fid. & Guar.	39,913	16,593	41.6
	46,700	17,640	37.8
Yorkshire			
London & Prov.	4,887	649	13.3
Yorkshire	46,423	23,166	49.9
	51,310	23,815	46.4
Canadian General			
Canadian General	105	......	....
Toronto General*	87	......	....
	192	......	....
Canadian Fire			
Canadian Fire	2,644	268	10.1
Canadian Indem.	4,420	527	11.9
	7,064	795	11.2
(B)—Individual Companies:			
Aetna Life	1,528	959	62.8
Alliance Assur.	28,789	8,123	28.2
Atlas	29	......	....
Br. Northwestern	1,735	327	18.8
Century Indem.	25	317	1,268.0
Century Insce.	2,288	22,206	970.5
Confed. Life	2,251	......	....
Continental Cas.	208,851	85,107	40.7
Dominion Fire	......	......	....
Employers' Liab.	207,350	91,259	44.0
Fidelity & Cas.	177	360	203.4
Guildhall	2,702	533	19.7
Guardian Ins.	15,336	3,100	20.2
Hartford Acc.	11,161	3,962	35.5
Indemnity Insur.	11,740	6,235	53.1
Legal & General	325	133	40.9
Lumberman's M. C.	1,071	53	4.9
Maryland Cas.	24,647	25,710	104.3
Metropolitan Cas.	3,684	967	26.2
Metropolitan Life	189,706	100,429	52.9
North Amer. Acc.	4,867	1,027	21.1
Occidental Life	79	4	5.1
Ocean Acc. & Gr.	124,783	57,690	46.2
Pearl	1,004	175	17.4
Preferred Acc.	10,283	6,952	67.6
Prudential Assur.	14,651	21,154	144.4
Travelers Insur.	457,059	167,981	36.7
Union of Canton	61,101	25,477	41.7
Zurich	28,369	13,015	45.9
Grand Total,† 1933	2,676,410	1,276,905	47.7
1932	2,917,637	1,686,557	57.8

*Ontario licensed company. Official figures. †Dominion licensed companies only.

Casualty Insurance 1933 Shows Improved Results

A lower volume of business—due largely to a decline in automobile business—but a considerably improved loss ratio is shown in the returns from casualty insurance companies to the federal insurance department and released by G. D. Finlayson, federal superintendent, this week.

The following table shows the 1933 experience of all casualty lines with comparative loss ratios for 1932:

CASUALTY INSURANCE EXPERIENCE IN CANADA, 1933

	Net Premiums Written $	Net Losses Incurred $	Loss Ratio 1933 %	1932 %
Accident:				
(1) Personal Accident	2,676,410	1,276,905	47.7	57.8
(2) Employers' Liability	341,168	79,838	23.4	....
(3) Other	1,362,340	475,301	34.9	31.9
Acc. and Sickness Combined	1,569,588	986,404	62.8	66.1
Falling Aircraft	8,609	4,114	47.79	57.53
Automobile	11,933,534	5,387,636	41.27	47.35
Aviation	20,258	10,662	52.63	....
Burglary	1,126,289	522,147	46.3	38.1
Credit	180,888	136,968	75.72	102.40
Earthquake	2,452	Nil	Nil	Nil
Electric, Machinery	147,762	36,618	24.78	28.91
Forgery	56,934	10,386	18.24	29.44
Fraud	16,266	5,075	31.20	30.48
Guarantee:				
Fidelity	1,135,866	377,079	33.2	53.0
Surety	640,981	327,274	51.1	45.1
Hail	494,402	236,740	47.9	36.1
Inland Transportation	990,983	301,598	30.43	29.84
Livestock	22,048	21,501	97.52	73.32
Plate Glass	468,120	243,719	52.1	47.8
Rain	6,463	1,628	25.19	37.47
Sickness	1,231,545	865,833	70.30	71.98
Steam Boiler	381,408	14,841	3.89	6.76
Title	Nil	Nil	....	....
Tornado	120,778	125,903	104.24	85.88
Explosion	1,573	38	2.42	....
Total, 1933	24,936,665	11,448,208	45.90	49.7
1932	28,893,265	14,362,197	49.7	....

Other Accident

(Other than personal and workmen's compensation insurance).

(Dominion Licensed Companies)

(A)—Group Experience:

	Net premiums written $	Net losses incurred $	Ratio %
W. H. Burgess			
Can. Surety	11,349	5,294	46.6
N. Y. Casualty	......	—115	....
	11,349	5,409	47.7
British Amer.-Western			
British Amer.	5,090	829	16.2
British Can.	772	1,059	137.1
British Empire	855	117	13.6
Imp. Guar. & Acc.	7,805	3,126	40.0
Western Assur.	16,845	5,474	32.5
	31,367	10,605	33.8
Commercial Union			
Can. Acc. & F.	24,966	6,414	25.6
Union Assur.	7,194	3,678	51.1
Comm. Union	3,757	256	6.8
	35,917	10,348	28.8
Dom. of Canada			
Dom. of Can. Gen.	17,353	5,815	32.5
Casualty Co.	5,435	1,315	24.2
	22,788	7,130	31.3
General Accident			
Gen. Acc. of Can.	119,840	46,076	38.4
Gen. Acc., F. & L.	5,599	3,425	61.1
	125,439	49,501	39.5
London & Lancashire			
London & Lanc. G. & A.	39,300	5,841	14.8
Law Union & Rock	18,026	6,036	33.4
	57,326	11,877	20.7
North British & Merc.			
N. Brit. & Merc.	10,503	2,452	23.3
Occidental Fire	518	......	....
Rly. Passengers	5,474	7,185	131.2
	16,495	9,637	58.4
Northern			
Northern Assur.	22,554	3,475	15.4
Lond. & Scottish	4,720	525	11.1
Scottish Metrop.	672	248	36.9
World Mar. & G.	14,424	4,418	30.6
	42,370	8,666	20.4
Norwich Union			
Canada Security	5,032	711	14.1
Norwich Union	22,276	14,376	64.5
	27,308	15,087	55.2
Phoenix England			
London G. & A.	24,038	9,055	37.6
Union Marine	5,424	3,310	61.0
Phoenix Ass.	6,950	2,169	31.2
	36,412	14,534	39.9
Royal Exchange			
Royal Exchange	25,114	2,849	11.3
Car & General	2,273	......	....
Motor Union	475	171	36.0
	27,862	3,020	10.8
Royal-Liver. & L. & G.			
Globe Indem.	85,033	34,825	40.9
Liver. & L. & G.	19,001	16,878	88.8
Royal Insur.	108,138	67,046	62.0
	212,172	118,749	56.0
Shaw & Begg			
Lloyd's Casualty	—345	79	....
Consolidated	17,566	7,629	43.4
	17,911	7,708	43.0
Sun			
Sun Insurance	5,502	244	4.4
Imperial Insur.	1,393	97	6.9
	6,895	341	4.9
U. S. Fidelity			
U. S. Fidelity	64,411	17,901	27.7
Fidelity Insur.	2,837	4,576	161.3
	67,248	22,477	33.4
Yorkshire			
Yorkshire Insur.	14,207	1,636	11.5
Lon. & Prov. Mar.	2,731	1,410	51.6
	16,938	3,046	18.0
Canadian Fire			
Canadian Fire	272	......	....
Canadian Indem.	48,530	9,106	18.8
	48,802	9,106	18.6
(B)—Individual Companies:			
Alliance Assur.	12,398	1,849	14.9
Atlas	496	53	10.7
Br. Northwestern	2,572	......	....
Can. General	53,588	15,111	28.2
Century Indem.	—122	—92	....
Century Insce	4,614	......	....
Continental Cas.	11,438	926	8.1
Employers' Liab.	137,722	48,699	35.3
Empl. Reinsur.	34,259	5,000	14.6
Fidelity & Cas.	—609	......	....
Gen. Cas. of Amer.	......	......	....
Gen. Cas. of Paris	13,888	1,409	10.2
Guard. Ins. of Can.	24,760	9,261	37.4
Guildhall	27,445	10,661	38.8
Hartford Acc.	17,487	4,560	26.1
Indemnity Insce.	10,194	1,651	16.2
Legal & General	657	......	....
Lumbermen's M. C.	627	197	31.4
Maryland Cas.	4,336	1,671	38.5
Merchants Cas.	816	—177	....
Metropolitan Cas.	2,131	18	0.8
Ocean A. & Guar.	17,388	2,914	16.8
Pearl	1,783	512	28.7
Preferred Acc.	31	......	....
Prudential Assur.	6,537	1,167	17.8
Trans. Canada	7,000	3,741	53.4
Travelers Indem.	6,535	855	13.1
Travelers Insur.	46,605	21,816	46.8
U. S. Guaranty	3,011	—3,452	....
Union of Canton	77,558	27,969	36.1
Zurich	31,314	11,816	37.7
Wawanesa	1,922	185	9.6
Grand Total, 1933.	1,362,340	475,301	34.9
1932.	1,421,698	454,009	31.9

Sickness

(Dominion Licensed Companies)

(A)—Group Experience:

	Net premiums written $	Net losses incurred $	Ratio %
British America-Western			
British America	5,922	3,101	52.4
British Canadian	1,533	1,229	80.2
British Empire	6,640	4,629	69.7
Imperial G. & A.	50,498	33,808	66.9
Western Assur.	10,860	6,433	59.2
	75,453	49,200	65.2
Commercial Union			
Canada Acc. & F.	29,001	18,546	63.9
Union Assur. Soc.	7,180	5,324	74.1
Comm. Union Ass.	3,028	1,872	61.8
	39,209	25,742	65.6
Dom. of Canada			
Casualty Co. of C.	20,936	14,456	69.1
Dom. of Can. Gen.	117,688	88,419	75.1
	138,624	102,875	74.2
General Accident			
Gen. Acc. of Can.	58,569	42,393	72.4
Gen. Acc. F. & L.	11,988	7,244	60.4
	70,557	49,637	70.3
London & Lancashire			
Law Union & Rock	2,644	729	27.6
Lon. & Lanc. G. & A.	19,418	11,546	59.5
	22,062	12,275	55.6
Northern			
London & Scottish	—9	—547	....
Northern Assur.	6,158	5,092	82.7
Scottish Metropol.	—39	2,770	....
World Marine	6,210	4,517	72.7
	12,320	11,832	96.0
North British & Merc.			
North Brit. & M.	6,639	6,425	96.8
Occidental Fire	731	241	32.9
Railway Pass.	15,941	8,004	50.2
	23,311	14,670	62.9

SICKNESS (Continued)

	Net premiums written $	Net losses incurred $	Ratio %
Norwich Union			
Canada Security	2,648	3,590	135.5
Norwich Union	22,041	14,332	65.0
	24,689	17,922	72.6
Phoenix-England			
London G. & Acc.	20,106	10,120	50.3
Union Marine	2,681	3,397	126.7
Phoenix Ass.	2,864	789	27.5
	25,651	14,306	55.8
Royal Exchange			
Car & General	2,405	1,083	45.0
Royal Exchange	6,078	3,485	57.3
	8,483	4,568	53.8
Royal Liverpool L. & G.			
Globe Indemnity	55,660	29,578	53.1
Liv. & Lon. & Gl.	4,969	3,309	66.6
Royal Insurance	62,700	43,518	69.4
	123,329	76,405	62.0
Sun			
Sun Ins. Office	4,655	2,004	42.9
Imperial Ins. Off.	2,147	1,113	51.8
	6,802	3,117	45.8
U. S. Fidelity			
Fidelity Ins. of C.	3,534	5,820	164.7
U. S. Fid. & Guar.	20,931	11,109	53.1
	24,465	16,929	69.2
Canadian Fire Group			
Canadian Fire	1,275	809	63.4
Canadian Indem.	1,174	809	68.9
	2,449	1,618	66.1
(B)—Individual Companies:			
Aetna Life	273	151	55.3
Alliance Assur.	25,075	14,912	59.4
British N'west	302	358	118.5
Continental Cas.	193,093	158,336	82.0
Employers' Liab.	96,551	76,680	79.4
Fidelity & Cas.	—2	—2,779	....
Gen. Cas. of Paris	19,872	12,173	61.2
Guard. Ins. of C.	3,204	2,438	76.1
Guildhall	776	1,082	139.4
Hartford Acc	1,836	252	13.7
Indemnity Ins.	1,954	302	15.5
Legal & General	444	327	73.6
Maryland Cas.	10,708	6,366	59.4
Metropolitan Cas.	1,330	734	55.2
Metropolitan Life	34,656	29,057	83.8
N. Amer. Accid.	4,366	3,113	71.3
Ocean Acc. & G.	31,650	22,995	72.6
Occidental Life	50	......	....
Preferred Acc.	158	351	222.1
Prudential Assur.	8,019	3,560	44.4
Royal Guardians	1,913	878	45.9
Travelers Ins.	94,226	67,589	71.7
Union of Canton	47,123	31,195	66.2
Zurich	56,563	34,667	61.3
Grand Total, 1933.	1,231,545	865,833	70.3
1932.	1,454,494	1,046,886	71.9

BURGLARY

Loss Ratio is Higher — Volume Nears 1932 Level

(Official Government Figures)

(Dominion Licensed Companies)

(A)—Group Experience:

	Net premiums written $	Net losses incurred $	Ratio %
American Surety			
Canadian Surety	17,144	2,516	14.6
New York Cas.	......	21	....
	17,144	2,537	14.8
British-Amer.-Western			
British Amer.	9,890	3,433	34.7
British Can.	2,364	1,225	51.8
British Empire	1,570	1,182	75.2
Imp. Guar. & Acc.	4,347	1,492	34.3
Western Assur.	16,864	7,135	42.3
	35,035	14,467	41.3
Canadian Fire			
Can. Fire	4,192	618	14.7
Can. Indemnity	59,616	31,098	52.1
	63,808	31,716	49.7
Canadian General			
Can. General	43,081	14,311	33.2
Tor. General*	12,013	4,307	35.8
	55,094	18,618	33.7
Commercial Union			
Canada Acc. & F.	13,044	4,015	30.7
Union Assur.	7,227	999	13.8
Com. Union Assur.	4,895	2,706	55.2
	25,166	7,720	30.7
Dom. of Canada			
Casualty Co.	13,796	7,064	51.2
Dom. of Can. Gen.	41,787	15,658	37.4
	55,583	22,722	40.9
General Accident			
Gen. Acc. of Can.	53,198	17,578	33.0
Gen. Acc., F. & L.	5,876	1,676	28.5
	59,074	19,254	32.6
London & Lancashire			
Law Union & Rock	5,588	3,652	65.3
London & Lanc. G. & A.	14,624	8,326	56.9
	20,212	11,978	59.3
N. British & Mercantile			
North British	22,969	4,062	17.6
Occidental Fire	1,001	366	36.5
Railway Pass.	5,270	2,965	56.2
	29,240	7,393	25.3
Northern			
Lond. & Scottish	3,731	454	12.1
Northern Assur.	40,726	13,357	32.8
World Marine	12,626	3,970	31.4
	57,083	17,781	31.1
Norwich Union			
Canada Security	3,475	1,488	42.8
Norwich Union	21,423	10,112	47.2
	24,898	11,600	46.6
Phoenix—England			
Union Marine	4,645	1,990	42.8
Lond. Guar. & A.	25,814	6,859	26.5
Phoenix Assur.	8,756	1,897	21.6
	39,215	10,746	27.4
Royal, Liverpool, L. & G.			
Globe Indem.	72,436	25,350	35.0
Liver. & L. & G.	6,954	2,701	38.8
Royal Insur.	31,442	27,150	86.3
	110,832	55,201	49.8
Sun			
Sun Insur. Office	7,058	1,837	26.0
Imper. Ins. Office	2,718	252	9.2
	9,776	2,089	21.4
United States Fidelity			
Fidelity Insur.	20,329	11,449	56.3
U. S. Fid. & Guar.	51,754	45,296	87.5
	72,083	56,745	78.7
Yorkshire			
London & Prov.	2,937	873	29.7
Yorkshire	20,576	10,128	49.2
	23,513	11,001	46.8
(B)—Individual Companies:			
Alliance Assur.	18,989	6,831	35.9
Amer. Surety	3,797	......	....
Atlas	3,447	831	24.1
Br. Northwestern	4,664	206	4.4
Century Indem.	—14	46	....
Century Insur.	3,651	9,530	261.0
Continental Cas.	3,740	4,630	123.8
Employers' Liab.	76,098	60,415	79.3
Empl. Reinsur.	9,542	1,423	14.9
Federal*	4,851	2,152	44.3
Fidelity & Cas.	—305	......	....
Gen. Cas. of Amer.	......	......	....
Gen. Cas. of Paris	17,791	3,020	16.9
Grain Insur.	11,007	6,534	59.3
Guardian Ins.	31,639	14,668	46.3
Guildhall	2,482	1,495	60.2
Hartford Acc.	17,320	7,640	44.1
Indemnity Insur.	8,664	2,424	27.9
Legal & General	2,519	690	27.3
Lloyd's Casualty	—2,331	480	....
Maryland Cas.	21,626	16,928	78.2
Metropolitan Cas.	4,783	3,298	65.9
National Surety	15,913	21,757	136.7
Northwest Cas.	667	1,123	168.3
Ocean Acc. & Gr.	31,558	12,243	38.8
Pearl	2,810	816	29.0
Portage la Prairie	1,645	1,921	116.7
Preferred Acc.	......	......	....
Prudential Assur.	9,530	3,038	31.8
Pilot*	1,593	412	25.8
Reliance of Can.	1,389	378	77.2
Royal Exchange	13,762	5,871	42.6
Travelers Indem.	84,616	27,951	33.0
Union of Canton	13,178	4,609	34.9
L'Union	231	......	....
U. S. Guar.	1,986	789	39.7
Zurich	24,152	3,301	13.6
Grand Total† 1933.	1,126,289	522,147	46.3
1932.	1,198,390	456,669	38.1

*Ontario licensed companies. Official figures. †Dominion licensed companies only.

Electrical Machinery

	Net premiums written $	Net losses incurred $	Ratio %
Boiler Inspection	79,706	24,744	31.04
D. of Can. General	161	Nil	....
Gen. Acc. of Can.	43,603	9,974	22.87
Hartford Steam Boiler	2,635	Nil	....
Maryland Casualty	—804	182	....
Ocean Accident	18,252	644	3.53
Travelers Indem.	4,209	1,074	25.52
Totals for 1933	147,762	36,618	24.78
1932	103,110	29,809	28.91

Inland Transportation

	Net premiums written $	Net losses incurred $	Ratio %
Aetna Insurance	132,642	31,732	23.92
Alliance Assur.	4,035	695	17.22
Alliance Insur.	29,331	5,644	19.24
Amer. Alliance	1,287	765	59.44
Amer. Home Fire	—4	2,282	Nil
Atlas	2,303	2,529	109.81
Automobile	39,734	17,036	42.88
Boston	924	501	54.23
Brit. America	15,404	5,498	35.69
British & Foreign	3,909	200	5.12
British N'western	11,964	1,915	16.01
British Oak	15,494	4,913	31.71
Canada Security	3,838	1,642	42.78
*Canadian Fire	682	Nil	....
Canadian General	6,736	1,348	20.01
Canadian Indem.	4,337	15	0.35
Comm. Union Ass.	1,596	Nil	....
Connecticut Fire	16,875	3,936	23.32
Continental Insur.	15,827	6,865	43.37
County Fire	322	191	59.32
D. of C. General	8,185	2,406	29.40
T. Eaton General	7,709	366	4.75
Equitable Fire	3,375	787	23.32
Federal	1,314	Nil	....
Fidelity-Phenix	17,881	4,123	23.06
Fire Assoc. of Phil.	21,632	6,638	30.69
Firemen's Fund Ins.	7,744	4,747	61.30
First American	897	561	62.54
Gen. Acc. F. & L.	6,157	2,339	37.99
Gen. Ins. of Amer.	1,726	113	6.55
Glens Falls	13,444	9,715	72.26
Globe & Rutgers	407	850	208.85
Great Amer. Ins.	16,100	8,611	53.48
Guard. Ins. of Can.	1,850	342	18.49
Hartford Fire	36,611	11,928	32.58
Home Insurance	26,180	4,181	15.97
Indem. Mut. Mar.	4,597	598	13.01
Ins. Co. of N. A.	67,578	23,448	34.70
Legal & General	3,827	2,562	66.95
Liverp'l & L. & G.	6,129	2,758	45.00
London & Lanc. G'tee & Acct.	140	Nil	....
London & Lanc. Insurance	15,131	313	2.07
London Assur.	10,532	102	0.97
London Guar. & Accident	2,291	808	35.27
Marine	36,393	278	0.76
Maryland Insur.	805	85	10.56
Nat'l Union Fire	6,207	5,307	85.50
N. Y. Underwiters	7	Nil	....
Niagara	4,195	4,960	118.24
North British	12,174	4,768	39.17
Northern Assur.	2,418	783	32.38
North River	442	17	3.85
Norwestern Nat'l.	63	Nil	....
Norwich Union	34,366	6,320	18.39
Ocean Accident	391	Nil	....
Pearl	613	174	28.38
Philadelphia Fire	1,787	305	17.07
Phoenix Assur.	3,024	232	7.67
Phoenix Insur.	27,965	6,523	23.33
Providence Wash.	3,000	897	29.93
Prudential Assur.	793	104	13.11
Queen of America	5,118	1,027	20.07
Rly. Passengers	2,127	373	17.54
Royal Exchange	1,466	38	2.59
Royal Insurance	13,361	1,770	13.25
St. Paul Fire	74,790	21,591	28.87
Springfield	3,222	1,472	45.69
Sun Insur. Office	2,586	451	17.44
Toronto General	4,148	483	11.64
Tokio	20,503	6,638	32.38
Travelers Fire	17,750	11,449	64.50
Union Assurance	6,786	7	0.10
Union of Canton	33,706	12,475	37.01
Union Marine	7,007	848	12.10
U. S. Fire	20,503	6,638	32.38
Universal	—4,924	163	....
Westchester	20,503	6,780	33.07
Western Assur.	30,802	10,995	35.70
World Fire & Mar.	7,444	9,396	126.22
World Marine	636	26	4.09
Yorkshire	4,283	2,705	63.16
Totals for 1933	990,983	301,598	30.43
	992,854	296,231	29.84

*This company did not transact any direct Inland Transportation insurance and the figures here shown refer to business received as reinsurance from its allied company. All transactions in connection with this business have been reversed in the books of both companies.

Fraud Insurance

	Net premiums written $	Net losses incurred $	Ratio %
National Surety	16,266	5,075	31.20
Totals for 1933	16,266	5,075	31.20
1932	23,124	7,048	30.48

The OCEAN
Accident and Guarantee Corporation, Limited
Liability Automobile Plate Glass Burglary
Guarantee Accident & Sickness
Fire Boiler Engine Flywheel Turbine
Electrical Machinery
Canadian Head Office - - TORONTO
Branches
Vancouver - Winnipeg - Montreal - St. John

PEARL
Assurance Company Limited
OF LONDON, ENGLAND

Writing the following lines of Insurance:

FIRE, Sprinkler Leakage, Limited Explosion, Tornado
Use and Occupancy, Rents, AUTOMOBILE, Burglary, Liability
Personal Accident, Inland Transportation, Fidelity and Surety Bonds

CHIEF OFFICE FOR CANADA • METROPOLITAN BLDG., TORONTO
LAWSON T. HARGREAVES
Manager for Canada
W. C. BUTLER
Casualty Superintendent

The WESTERN ASSURANCE COMPANY
BRITISH AMERICA ASSURANCE COMPANY
and their Subsidiaries

BRITISH CANADIAN Insurance Company
BRITISH EMPIRE Assurance Company
ST. LAWRENCE UNDERWRITERS
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CANADA'S LARGEST FIRE MUTUAL
Fire *Windstorm* *Sprinkler Leakage* *Automobile*
Liability *Doctors' and Dentists' Liability* *Plate Glass*

BALANCE SHEET — December 31, 1933

ASSETS		LIABILITIES	
Cash on Hand and in Banks	116,951.89	Provision for unpaid claims	$ 79,337.68
Bonds and Debentures	449,553.07	Reserve of Unearned Prems. 80%	466,865.93
Mortgage Loans	144,040.84	Reserve for Unlicensed Re-Ins.	218.86
Stocks	105,366.28	Accrued Taxes	17,000.00
Guaranteed Investment Receipt	10,000.00	Re-Insurance Premiums	22,494.18
Real Estate	108,269.54	Reserve for Treaty Re-Ins.	35,787.59
Interest due and accrued	27,117.21	Accounts Payable	5,654.39
Agents' Balances	97,400.94		
1933 Assessments Receivable	112,353.79		
Re-Insurance Excess Lloyds	11,682.24		
Amount due from Re-Ins. on Losses already paid	12,030.34		
Rents due and accrued	570.65		
Accounts Receivable	93.96	SURPLUS	568,072.12
	$1,195,430.75		$1,195,430.75

Unassessed Premium Notes $1,363,730.75.
C. M. VANSTONE, Managing Director.
E. L. McDONALD, Secretary-Treasurer.

Gross Premiums Written 1933 $ 1,239,675.36
Net Premiums Earned 1933 949,762.85
Net Losses and Adjusting Expenses 510,498.90
Loss Ratio 53.7% To Earned Prem.
Decrease during year 4%.
Insurance in Force—over $243,000,000.00

ABSOLUTE SECURITY BROADEST POLICY LOWEST COST
Head Office: WAWANESA, Manitoba

BRANCH OFFICES:
Toronto, Ont. 341 Church St.
Montreal, Que. 465 St. John St.
Winnipeg, Man. Avenue Bldg., Portage Ave.
Vancouver, B.C. 312 Metropolitan Bldg.
Edmonton, Alta. Edmonton, Alta.
Regina, Sask. 620 Broder Bldg.

THE PHOENIX ASSURANCE COMPANY, LIMITED, of London, Eng.
THE ACADIA FIRE INSURANCE COMPANY
IMPERIAL ASSURANCE COMPANY
THE NORTH EMPIRE FIRE INSURANCE COMPANY, LTD.
COLUMBIA INSURANCE COMPANY
UNITED FIREMEN'S INSURANCE COMPANY
LONDON GUARANTEE & ACCIDENT COMPANY, LTD.
THE UNION MARINE & GENERAL INSURANCE COMPANY, LTD.
"THE DEPENDABLE GROUP"
PHOENIX
ESTABLISHED 1782
PHOENIX ASSURANCE COMPANY
LIMITED
OF LONDON, ENGLAND
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C. W. C. TYRE, Manager for Canada
WM. LAWRIE, Asst. Manager
E. H. S. LOW, Deputy Asst. Manager
J. C. URQUHART, Secretary
CASUALTY AND AUTOMOBILE BRANCH
465 Bay Street, Toronto
Casualty Manager, GEORGE WEIR
ASSETS EXCEED
$170,000,000
1782 OLD IN SERVICE
1934 MODERN IN METHOD
FIRE - LIFE - ACCIDENT - MARINE
EXPLOSION - SPRINKLER LEAKAGE - EARTHQUAKE
RIOT & CIVIL COMMOTION

Automobile Insurance Experience in 1933

Many Changes Seen In '33 Auto Figures Provident in Lead

Shaw & Begg Group Takes Second Place Following Acquisition of Trans-Canada By Provident—Total Volume Lower

COMPANY AND GROUP RANKING SHOWN

Few Groups Increase Volume in 1933 But Loss Ratio Considerably Lower For Nearly All Companies—New Basis For Federal Figures

Important shifts in the ranking of "groups" and companies writing automobile insurance in Canada in 1933 are indicated in the special analysis prepared annually by The Financial Post from figures supplied by the federal insurance department at Ottawa and from the Ontario insurance superintendent.

Out in front comes the "Provident" group which leads in net premiums written and usurps first place from Shaw and Begg. The change is due largely to the acquisition during the year of Trans-Canada Insurance Co. and British Colonial in the Provident group, the $418,000 of business written by these companies more than accounting for the lead obtained by the group.

Many Changes In Ranking

Companies or groups which made relative gains in volume of net premiums written during 1933 include: General Accident; London and Lancashire; London Assurance; Century; General Exchange; Canadian Fire and Willis Faber. Relatively less business was written by Phoenix-England; Lumbermen's Mutual; Royal Insurance, Travelers of Hartford, Commercial Union and Halifax Fire.

New Basis For Figures Reduces Loss Ratio

The majority of companies show a lower loss ratio—due in large measure to a ruling of the federal superintendent of insurance that for 1933 companies must exclude expenses of claims settlement from the amount of their losses incurred. In some companies this is said to make as much as 10 per cent difference while the average for all companies in automobile coverage is said to be at least five per cent. Therefore 1933 figures are not strictly comparable with those of 1932 and 1931 although since this is the official basis on which the federal figures are compiled this year there is no other alternative. It is believed, however, that representations have been made to revert to the old basis of returns for subsequent years.

Only three company groups in the first twenty-five leaders show a higher loss ratio than a year ago, namely, Canadian General, Lumbermen's Mutual and Norwich Union.

Companies which show an increased volume of written business in 1933 are much in the minority. Leading groups to report gains (apart from the Provident, mentioned above) are: London and Lancashire; Willis Faber.

Comparative figures for the first 25 underwriting groups or companies follow:

RANKING OF 25 LEADING AUTOMOBILE UNDERWRITERS IN CANADA, 1933

	Net Premiums Written 1933 $	Net Premiums Written 1932 $	Earned Loss Ratio 1933 %	Earned Loss Ratio 1932 %	Earned Loss Ratio 1931 %
1. Provident (G)	831,008	†	55.76	†	†
2. Shaw & Begg (G)	793,568	1,131,130	41.97	50.5	52.2
3. Canadian General (G)	584,522	639,872	47.19	45.6	51.8
4. Br. America-Western (G)	555,739	682,570	36.82	42.6	45.8
5. Pilot	443,792	530,650	43.16	44.6	55.7
6. Dom. of Canada (G)	436,617	560,521	36.20	42.5	41.1
7. Empl. Liability (G)	434,282	525,969	41.09	47.0	56.2
8. Liverpool & L. & G. (G)	409,549	416,438	38.95	42.9	54.9
9. Phoenix of London (G)	404,705	464,103	47.33	49.9	61.3
10. General Accident (G)	381,552	400,219	31.14	32.5	48.8
11. London & Lancashire (G)	369,102	337,798	40.44	51.6	50.1
12. Lumbermen's Mut. (G)	357,741	419,114	40.08	33.0	38.6
13. Royal (G)	354,387	418,458	24.46	51.2	55.6
14. Norwich (G)	314,025	382,458	63.11	51.0	50.3
15. London Assur. (G)	299,039	363,078	39.62	50.0	55.2
16. Century (G)	297,794	348,677	34.57	48.6	52.5
17. Travelers (G)	287,737	385,950	34.54	35.7	69.2
18. Ocean	283,781	384,351	51.56	40.7	60.5
19. Comm. Union (G)	277,082	365,081	28.93	48.9	53.5
20. General Exchange	272,348	303,743	38.08	40.1	53.1
21. Portage La Prairie	263,568	300,100	53.10	61.5	42.0
22. Canadian Fire (G)	254,900	296,317	29.94	45.7	49.2
23. Halifax	246,318	379,032	56.81	41.3	66.2
24. Willis Faber (G)	237,407	231,495	38.09	39.8	48.6
25. Royal Exchange (G)	226,808	272,774	30.78	58.2	53.0

Note—"G" indicates group experience. Other figures indicate experience of an individual company.

†No comparable experience for previous years.

Automobile Insurance Experience, 1933 Analyzed by Groups and Individual Companies

GROUP EXPERIENCE OF AUTOMOBILE INSURANCE, 1933
(Official Federal and Ontario Government Figures—Ranked in Order of Net Premiums Written)

	Net Premiums Written $	Net Premiums Earned $	Net Losses Incurred $	Ratio of Losses Incurred to Premiums Earned 1933 %	1932 %	1931 %
Provident Group						
British Colonial	180,364	168,692	126,474	74.97	48.14	68.4
Provident*	412,603	397,473	211,552	53.29	55.44	....
Trans-Canada	238,041	245,977	114,815	46.68	50.95	71.5
Total	831,008	812,142	452,841	55.76	†	†
†Not complete group prior to 1933. *Provincial licensed company. Official figures.						
Shaw & Begg Group						
American Auto Fire	150,182	177,314	37,015	20.88	28.49	36.0
American Auto Ins.	433,309	476,152	202,526	42.53	58.16	59.6
Consolidated	123,685	183,051	104,481	57.08	61.16	†
Lloyd's Ins.	—276	5,216	6,261	120.03	53.36	56.1
New Jersey	851	2,154	305	14.16	56.65	72.2
Stuyvesant Insur.‡	—2,716	6,394	—146	....	24.77	50.8
Wellington Fire*	79,533	78,537	39,465	50.27	30.46	25.3
Total	793,568	928,818	389,907	41.97	50.54	52.2
†Not in group in 1931. ‡Canadian business reinsured by Pearl Assurance Co. in April, 1933. *Provincial licensed company. Official figures.						
Canadian General Group						
Canadian General	324,456	326,786	174,216	53.31	53.55	62.7
Toronto General*	260,066	275,850	108,970	39.50	46.06	52.7
Total	584,522	602,636	283,186	47.19	45.60	51.8
*Provincial licensed company. Official figures.						
British America-Western Group						
British America Assce.	143,868	153,937	59,579	38.70	42.72	45.1
British Canadian Ins.	39,696	46,404	13,960	30.08	42.44	49.3
British Empire Assce.	79,460	92,284	31,346	33.97	42.50	46.6
Imperial Guar. & Acc.	62,295	66,840	24,653	36.88	42.54	46.4
Western Assurance	230,420	238,511	90,645	38.00	42.64	45.4
Total	555,739	597,976	220,183	36.82	42.61	45.8
Dominion of Canada Group						
Casualty Co. of Canada	75,491	84,680	35,458	41.87	52.00	53.7
D. of C. General	361,126	417,121	146,198	35.05	40.53	38.4
Total	436,617	501,801	181,656	36.20	42.53	41.1
Employers' Liability Group						
Employers' Liability Assur.	421,528	464,738	191,314	41.17	46.98	55.8
Merchant's Marine	12,754	10,451	3,959	37.88	45.68	83.4
Total	434,282	475,189	195,273	41.09	46.96	56.2
Liverpool & London & Globe Group						
Central Ins.	......	13,331	—4,312	....	67.71	53.0
Globe Indemnity of Canada	271,000	256,147	99,520	38.85	48.21	58.8
Liverpool & L. & Globe	144,713	138,451	61,057	44.10	32.05	52.0
Liverpool-Manitoba	25,524	28,092	11,068	39.40	29.61	39.9
Globe and Rutgers*	—31,688	54,511	23,518	43.14	†	†
Total	409,549	490,532	190,851	38.95	42.87	54.9
†Not in group until 1933. *Business in Canada reinsured by L. & L. & G. in April, 1933.						
Phoenix of London Group						
London Guar. & A.	186,796	196,891	93,840	47.66	39.04	61.5
Phoenix Assurance	170,039	180,674	90,595	50.14	62.79	61.9
Union Mar. & General	47,870	51,212	18,522	36.17	46.21	57.2
Total	404,705	428,777	202,957	47.33	49.95	61.3
General Accident Group						
General Acc. of Can.	328,512	335,579	106,054	31.60	32.71	47.8
General Acc. Fire & Life	53,040	52,668	14,861	28.22	31.19	60.3
Total	381,552	388,247	120,915	31.14	32.51	48.8
London & Lancashire Group						
Hand-in-Hand*	6,295	6,889	1,853	26.85	29.79	31.3
Law, Union & Rock	139,211	108,046	47,699	44.15	71.40	47.5
London & Lanc. Ins.	37,962	40,098	10,120	25.24	96.24	65.5
London & Lanc. G. & A.	178,578	190,710	77,389	40.58	38.06	48.9
Merchants Fire Ins.*	7,056	7,504	5,716	76.21	40.93	34.0
Total	369,102	353,427	142,777	40.44	51.57	50.1
*Provincial licensed company. Official figures.						
Lumbermen's Group						
Lumbermen's Mutual Cas.	303,063	322,832	145,129	44.95	35.01	42.1
Central Manufac. Mutual	54,678	60,059	8,323	13.86	21.17	19.2
Total	357,741	382,891	153,452	40.08	32.96	38.6
Royal Group						
Newark Fire	22,392	24,763	8,328	33.63	18.59	23.2
Queen Insurance	26,139	30,195	9,336	30.92	22.78	50.0
Royal Insurance	305,856	330,990	76,754	23.19	56.55	58.7
Total	354,387	385,948	94,418	24.46	51.21	55.6
Norwich Union Group						
Canada Security	66,554	73,778	62,081	84.15	63.47	63.2
Norwich Union Fire	247,471	270,991	155,505	57.38	47.81	47.8
Total	314,025	344,769	217,586	63.11	50.97	50.3
London Assurance Group						
British Law	21,118	21,826	9,755	44.69	60.68	86.6
Guildhall Insurance	244,973	268,406	107,917	40.21	49.35	53.8
London Assurance	32,948	34,572	11,030	31.90	47.39	44.3
Total	299,039	324,804	128,702	39.62	49.97	55.2
Century Group						
Anglo Scottish Ins.	89,607	97,041	32,238	33.22	46.72	53.2
Century Insurance	89,607	96,943	36,588	37.74	46.04	60.8
Pacific Coast Fire	88,711	96,998	32,237	33.23	52.62	29.7
Southern Insurance	29,869	32,490	10,746	33.07	51.59	29.1
Total	297,794	323,472	111,809	34.57	48.60	52.5
Travelers Group						
Travelers Fire	44,272	53,169	7,175	13.49	33.49	51.6
Travelers Indemnity	243,465	279,952	107,891	38.54	36.14	72.1
Total	287,737	333,121	115,066	34.54	35.71	69.2
Commercial Union Group						
Brit. General Ins.	25,266	23,079	13,660	59.19	36.63	30.3
Canada Acc & Fire	124,008	148,705	40,293	27.10	47.79	55.1
Commer. Union Assur.	55,581	62,894	18,258	29.03	51.57	54.2
Palatine Insurance	36,864	40,107	14,182	35.36	49.53	55.7
Union Assurance Sec.	35,363	44,603	5,995	13.44	53.36	55.7
Total	277,082	319,388	92,388	28.93	48.95	53.5
Canadian Fire Group						
Canadian Fire	122,796	134,187	37,092	27.64	37.16	47.9
Canadian Indemnity	132,104	150,756	48,229	31.99	53.84	50.4
Total	254,900	284,943	85,321	29.94	45.73	49.2
Willis Faber Group						
Cornhill	90,649	83,409	37,003	44.36	50.57	49.0
Provincial Insur.	146,758	149,738	51,793	34.59	34.59	48.5
Total	237,407	233,147	88,796	38.09	39.78	48.6
Royal Exchange Group						
Car & General	31,955	36,386	5,655	15.54	58.32	48.9
Motor Union	54,493	56,440	18,958	33.59	40.60	46.6
Royal Exchange	91,440	108,672	34,976	32.18	71.75	59.4
United British	48,920	49,519	17,673	35.69	49.15	47.6
Total	226,808	251,017	77,262	30.78	58.21	53.0
Northern Group						
London & Scottish Assce.	14,931	16,069	—408	....	72.73	33.8
Northern Assurance	117,791	125,703	61,118	48.62	39.72	55.3
Scottish Metropolitan	36,040	38,936	11,866	30.48	57.29	44.4
World Marine & General	27,424	27,995	9,165	32.74	39.87	33.3
Total	196,186	208,703	81,741	39.17	45.32	48.7
Union of Canton Group						
British Traders	49,023	59,515	18,269	30.70	45.45	44.8
China Fire	671	1,117	69	6.18	12.83	98.9
Union of Canton	143,900	152,365	38,340	25.16	42.03	55.9
Total	193,594	212,997	56,678	26.61	42.75	53.0
North British Group						
North British	86,021	93,714	40,936	43.68	34.87	84.9
Occidental Fire	37,909	44,587	13,919	31.22	34.89	79.0
Railway Passengers	64,126	75,505	27,408	36.30	49.60	62.9
Total	188,056	213,806	82,263	38.48	39.42	76.3
U. S. Fidelity Group						
Fidelity of Canada	69,747	77,615	32,891	42.38	58.50	73.7
U. S. Fidelity & Guar.	109,398	114,139	61,504	53.89	69.48	69.4
Total	179,145	191,754	94,395	49.23	65.19	70.9
General of America Group						
First National of Amer.	Nil	Nil	Nil	....	33.92	63.7
General Cas. of America	104,843	101,182	38,328	37.88	50.84	79.8
General Ins. of America	53,999	58,037	18,897	32.56	36.16	58.5
Total	158,842	159,219	57,225	35.94	44.78	72.2
Home Group						
Home Indemnity	11,606	36,417	11,531	31.66	88.76	69.4
Home Insurance	134,667	156,842	56,425	35.98	63.14	69.3
Total	146,273	193,259	67,956	35.16	68.46	69.3
Hartford Group						
Hartford Acc. & Ind.	87,952	96,869	43,082	44.47	51.40	48.8
Hartford Fire	17,869	20,869	5,544	26.54	46.32	31.6
London-Canada Ins.	37,226	41,069	20,648	50.28	39.09	56.4
Total	143,047	158,807	69,274	43.62	47.35	48.1
Yorkshire Group						
London & Prov.	14,453	15,359	5,681	36.99	45.13	28.0
Yorkshire Insurance	105,401	112,240	56,638	50.46	38.35	48.8
Total	119,854	127,599	62,319	48.84	39.10	46.7
St. Paul Group						
Mercury Insurance	7'653	15,535	4,849	31.21	36.34	48.6
St. Paul Fire & Marine	90,668	116,671	47,565	40.77	54.40	53.9
St. Paul-Mercury	15,829	17,039	5,642	33.11	118.16	83.4
Total	114,150	149,245	58,056	38.90	58.78	58.2
Sun Group						
Imperial Insurance	30,491	34,311	9,809	28.59	50.62	37.1
Sun Insurance	61,949	65,141	26,074	40.03	37.28	44.8
Total	92,440	99,452	35,883	36.08	42.09	42.1
North American Group						
Alliance Ins.	14,304	16,043	3,588	22.36	39.90	67.2
Indemnity Insur. of N. A.	57,570	65,202	64,454	98.85	95.64	54.2
Insurance Co. of N. A.	20,451	24,432	4,317	17.67	43.80	52.0
Total	92,325	105,677	72,359	68.47	73.54	56.2
Massie & Renwick Group						
Dominion Fire	18,206	21,306	5,141	24.13	31.44	57.2
Metropolitan Cas.	61,450	66,547	21,911	32.93	43.48	56.0
Nat'l-Ben Franklin	2,237	2,735	477	17.44	65.79	41.3
Northwestern National	6,372	7,158	1,036	14.47	15.40	40.4
Total	88,265	97,746	28,565	29.22	39.17	51.7
W. H. Burgess Group						
Camden Fire	6,437	6,304	670	10.63	26.13	29.8
Canadian Surety	74,012	84,832	28,292	33.35	47.28	46.1
New York Casualty	Nil	Nil	—3,851	....	397.65	11.6
Total	80,449	91,136	25,112	27.60	49.68	34.5
Great American Group						
American Alliance	2,278	2,466	762	30.90	30.14	351.4
County Fire of Phil.	570	617	190	30.79	29.67	312.7
Great American Ind.	46,839	48,111	2,232	4.64	96.51	19.5
Great American Ins.	25,633	27,752	8,572	30.89	29.76	253.3
Total	75,320	78,946	11,756	14.89	67.57	76.1
Northwestern Mutual Group						
Northwestern Mutual	52,035	57,908	12,162	21.00	30.70	30.9
Northwest Casualty	14,085	15,282	5,583	36.53	69.55	64.3
Total	66,120	73,190	17,745	24.37	....	....
Chubb & Son Group						
Marine	10,835	10,765	1,959	18.20	14.37	76.9
Federal Ins.	24,561	24,400	8,781	35.99	31.67	77.7
U. S. Guarantee	20,883	20,806	5,002	24.04	112.53	....
Total	56,279	55,971	15,742	28.10	44.57	76.9
Hardware Mutual Group						
Hard. Dealers Mutual	2,613	2,753	344	12.50	15.11	32.0
Minn. Implement Mutual	2,613	2,753	344	12.50	15.11	32.0
Retail Hardware Mutual	2,613	2,753	344	12.50	15.11	32.0
Total	7,839	8,259	1,032	12.50	15.11	32.0
William Thompson Group						
Security Ins.	1,136	1,230	62	5.04	44.60	30.5
American Ins.	900	1,156	61	5.28	....	14.6
Fire Assoc. of Phil.	332	206	153	74.27	77.60	114.2
Ins. Co. of Penn.	1,281	2,541	1,199	47.19	†	†
Total	3,649	5,133	1,475	28.94	161.03	69.3
†Not in group previous to 1933.						
Boston Group						
Agricultural	2,340	1,957	598	30.56	3.76	....
Boston	801	942	112	11.89	86.32	....
Total	3,141	2,899	710	24.48	36.69	....
Fireman's Fund Group						
Fireman's Fund Indemnity	332	4,583	108	2.36	11.95	30.7
Fireman's Fund Insur.	149	209	300	143.54	15.00	49.0
Home, Fire & Marine	72	1,491	46	3.09	46.67	65.2
Total	553	6,283	454	7.23	19.96	41.3
American Fore Group						
Continental Ins.	—32	266	......	....	78.55	130.3
Fidelity-Phenix	—26	538	222	41.26	109.38	48.8
Niagara Fire	—6	56	Nil	....	....	8.0
Fidelity & Cas.	Nil	224	Nil	....	10.71	....
Total	—64	1,084	222	20.48	72.33	57.9
Aetna Group						
Aetna Insurance	—725	4,569	1,397	30.58	70.17	118.9
Century Indemnity	—1,003	4,674	284	6.08	46.25	61.8
World Fire & Marine	—693	5,648	83	1.47	69.39	73.7
Total	—2,421	14,891	1,761	11.85	57.35	77.1
Springfield Group						
Sentinel Fire	19	25	Nil	....	30.30	....
Springfield Fire & Marine	748	968	Nil	....	40.87	....
Total	767	993	......	....	40.53	....
(b) Individual Companies						
Pilot*	443,792	503,609	217,550	43.16	44.61	55.7
Ocean Accident	283,781	316,088	162,960	51.56	40.68	60.5
General Exchange	272,348	255,467	97,286	38.08	40.10	53.1
Portage la Prairie	263,568	312,550	165,969	53.10	61.53	42.0
Halifax	246,318	308,350	175,172	56.81	41.31	66.2
Zurich	168,174	186,856	105,844	56.64	44.25	47.1
Guardian Insur. Co.	159,671	184,285	80,786	43.84	50.87	49.1
L'Union Fire of Paris	133,690	128,429	60,390	47.02	63.40	58.6
Alliance Assur.	113,233	115,659	54,234	46.89	34.45	66.8
Merchants Casualty	98,399	91,452	42,961	46.98	33.32	55.9
Employers' Reinsurance	96,278	98,181	27,790	28.30	23.25	55.2
Glens Falls	92,410	105,923	42,333	39.97	69.77	38.8
Wawanesa	92,973	85,594	39,175	45.77	66.67	63.4
British Oak	83,375	82,649	42,206	51.07	56.81	18.7
Gen. Casualty of Paris	83,154	89,142	32,100	36.01	37.63	90.3
Legal & General	73,984	58,888	36,747	62.40	46.83	52.4
Prudential Assurance	71,790	72,345	25,301	36.97	45.65	81.4
Continental Casualty	59,045	75,694	46,499	61.43	70.19	41.8
Scottish Union	42,419	43,225	14,340	33.18	62.32	54.7
Maryland Casualty	33,273	53,772	42,060	78.22	53.56	66.1
Pearl	32,848	20,002	13,358	66.78	111.31	....
Atlas	28,181	17,211	4,599	26.72	....	....
American Home Fire	27,869	33,622	10,977	32.65	70.49	50.3
Providence Washington	12,180	13,096	12,774	97.54	44.97	47.4
Caledonian	8,732	4,804	4,005	83.37	38.50	....
New Hampshire	7,130	6,410	1,353	21.11	37.28	....
Ohio Farmers	4,910	5,410	2,735	50.55	15.78	....
Commerce Mutual	3,801	2,361	721	30.54	58.69	....
Nat. Union Fire	2,442	9,717	5,597	57.60	22.16	76.5
Bankers & Traders	2,022	1,111	45	4.45	....	....
Rhode Island	532	268	Nil	....	....	....
Lumbermen's Mut. of Mansfield	264	281	9	3.20	0.66	4.6
N. Y. Undr.	117	144	5	3.41	....	....
Central West Casualty	—2,192	4,795	10,281	214.41	125.79	53.4
Preferred Accident	—5	15,919	6,400	40.20	59.55	40.7

*Provincial licensed company, official Ontario government figures.

Rain Insurance

	Net premiums written $	Net losses incurred $	Ratio %
Hartford Fire	4,598	1,373	29.86
Home Insurance	1,865	255	13.67
Totals for 1933	6,463	1,628	25.19
1932	9,286	3,479	37.47

Forgery Insurance

(Dominion Licensed Companies)

(A)—Group Experience:

	Net premiums written $	Net losses incurred $	Ratio %
U. S. Fidelity			
U. S. Fid. & Guar.	8,337	26,321	315.7
Fidel. Ins. of Can.	601	1,600	....
	8,938	24,721	276.6
(B)—Individual Companies:			
Can. General	1,465	—190	....
Can. Indemnity	1,530	35	2.3
Can. Surety	2,658	1,840	69.2
General Indem.	97	......	....
Globe Indemnity	2,979	1,094	36.7
Grain Insurance	2,394	36	1.5
Indemnity Ins.	10,287	4,988	48.5
Liverp'l & L. & G.	389	122	31.4
Maryland Cas.	666	1,093	164.1
Metropolitan Cas.	52	15	28.8
National Surety	20,317	—24,336	....
Royal Insurance	5,103	968	18.9
Toronto General*	412	......	....
Grand Total, 1933	56,934	10,386	18.2
1932	61,370	18,065	29.4

*Ontario licensed company. Official figures.

Explosion Insurance

	Net premiums written $	Net losses incurred $	Ratio %
Queen	628	20	3.18
Royal Insurance	804	18	2.24
Springfield	141	Nil	....
Totals for 1933	1,573	38	2.42
1932	Nil	Nil	....

Livestock Insurance

	Net premiums written $	Net losses incurred $	Ratio %
Hartford Livestock	16,437	16,697	101.58
Indemnity Insur.	4,623	3,854	83.37
Yorkshire	988	950	96.15
Totals for 1933	22,048	21,501	97.52
1932	27,814	20,393	73.32

Falling Aircraft Insurance

	Net premiums written $	Net losses incurred $	Ratio %
Continental	1,250	2,039	163.12
Great American	7,359	2,075	28.20
Totals for 1933	8,609	4,114	47.79
1932	2,496	1,436	57.53

Aviation Insurance

	Net premiums written $	Net losses incurred $	Ratio %
Fidelity & Casualty	8,413	17	0.20
Gt. Amer. Indem.	5,729	9,667	168.74
Marine	6,116	978	15.99
Totals for 1933	20,258	10,662	52.63
1932	29,527	—2,639	....

Credit Insurance

	Net premiums written $	Net losses incurred $	Ratio %
Amer. Credit Ind.	141,855	84,696	59.71
National Surety	39,033	52,272	133.92
Totals for 1933	180,888	136,968	75.72
1932	271,047	277,564	102.40

Tenders Called on Block of Toronto General Shares

Publication of a notice calling for tenders on a block of 11,570 shares of Toronto General Insurance Co. common stock is a final act in a long chapter of events connected with the old Canadian Associate Companies. The shares were held by this latter company and some time ago were put up as collateral for a bank loan. The loan has not been paid off and in order to comply with the bank act, the calling for tenders on the shares is necessary even if the shares are subsequently bought by private sale. One reason is apparently to attempt to establish in this way a market value for the shares.

SINCE 1895
the Canadian has been protecting property owners in Canada
STRONG - PROGRESSIVE - CANADIAN
Ask for a Canadian Policy
THE CANADIAN FIRE INSURANCE COMPANY
HEAD OFFICE - WINNIPEG

FIRE AND CASUALTY
INSURANCE
in a Strong PROGRESSIVE
CANADIAN COMPANY
Buy "Canadian" Insurance
THE CANADIAN INDEMNITY CO.
Montreal Toronto WINNIPEG Calgary Vancouver

The World's Strongest
ZURICH
Purely Casualty Company
Assets, $55,747,089.26
Surplus, $17,044,932.63
Head Office for Canada
Federal Building · TORONTO

Save with Safety
This leading company stands out prominently among Casualty Companies because of its
STRONG FINANCIAL POSITION
EXCELLENT SERVICE TO CLIENTS
DIVIDENDS PAID YEARLY
In 1933 this company paid back to policyholders in dividends, $2,827,117.38.
Lumbermens Mutual Casualty Company
1201 Concourse Bldg. - - - - - - Toronto, Ont.

Group Strength

THE "Commercial Union Group" constitutes one of the largest and strongest insurance organizations in the world. Its activities extend to all parts of the world and embrace practically every known form of insurance.

Since their inception these individual companies have withstood the shocks of conflagrations and commercial recessions. Their far-flung operations in every phase of human activities offer greater financial protection to policyholders. These operations also make available to policyholders unsurpassed and world-wide loss settlement facilities.

All the companies of the "Group" take great pride in their business progress but even greater pride in the high character of their agency representation which has been the bulwark of their success. A well-balanced agency should include one of these Fire, Casualty and Automobile Companies.

Commercial Union Group
HEAD OFFICE FOR CANADA
MONTREAL
With Branches and General Agents at
HALIFAX ST. JOHN TORONTO WINNIPEG VANCOUVER

COMMERCIAL UNION Assurance Company, Limited
UNION Assurance Society, Limited
THE PALATINE Insurance Company, Limited
CANADA ACCIDENT and Fire Assurance Company
THE BRITISH GENERAL Insurance Company, Limited
THE CALIFORNIA Insurance Company
AMERICAN CENTRAL Insurance Company
NORTH WEST FIRE Insurance Company
BRITISH & EUROPEAN Insurance Company Limited
THE COMMERCIAL UNION Fire Insurance Company

ALLIANCE
ASSURANCE COMPANY, LIMITED
OF LONDON, ENGLAND
ESTABLISHED 1824
Assets Exceed £30,000,000
(Including Life Funds)
FIRE - AUTOMOBILE - CASUALTY

THE WESTMINSTER
FIRE OFFICE
OF LONDON, ENGLAND
FOUNDED 1717
GUARANTEED BY THE
ALLIANCE ASSURANCE CO. LIMITED
FIRE · AUTOMOBILE

Head Offices for Canada — BARCLAY'S BANK BUILDING
214 ST. JAMES STREET, MONTREAL
APPLICATIONS FOR AGENCIES INVITED
E. E. KENYON, Manager

FIRE LIFE MARINE ACCIDENT LIABILITY BURGLARY SURETY, ETC.
NORTHERN
and Allied Companies
NORTHERN ASSURANCE COMPANY, LIMITED
Founded 1836
Assets Exceed $100,000,000
Fire, Automobile, Casualty, Surety
LONDON & SCOTTISH ASSURANCE CORPORATION LIMITED
Established 1862
Life, Annuities, Fire, Automobile, Casualty
The Royal Scottish Insurance Company LIMITED, OF GLASGOW
Fire and Lines
Scottish Metropolitan Assurance Company LIMITED, OF EDINBURGH
Fire, Automobile, Casualty, Surety
WORLD MARINE & GENERAL INSURANCE COMPANY, LIMITED
Fire, Explosion, Automobile, Casualty, Surety
CANADIAN BOARD OF DIRECTORS
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CHIEF OFFICE FOR CANADA
NORTHERN BUILDING
MONTREAL
Branches and Agencies throughout Canada

FIRE AUTOMOBILE RIOT EXPLOSION TORNADO INLAND TRANSPORTATION
Agents Everywhere
THE LONDON & LANCASHIRE INSURANCE Co. LTD
W. R. HOUGHTON Manager
P. L. WAYLETT Asst. Mgr.
HEAD OFFICE FOR CANADA
4 Richmond Street East, Toronto
LAW UNION & ROCK
INSURANCE COMPANY LIMITED OF LONDON, ENGLAND
CANADIAN HEAD OFFICE, TORONTO
MERCANTILE FIRE
INSURANCE COMPANY
HEAD OFFICE, TORONTO
THE QUEBEC FIRE
ASSURANCE COMPANY
HEAD OFFICE, QUEBEC, P.Q.
G. E. HENDERSON, Chief Agent and Secretary
BRANCH OFFICES
Montreal, St. John, Quebec, Winnipeg, Vancouver

Insurance for Buyer and Seller

HAIL VOLUME OFF LOSS RATIO PUT AT 48% IN 1933

Several Companies Out of Association During Year

Hail underwriters registered under the federal insurance department at Ottawa reported a loss ratio in 1933 of almost 48 per cent as compared with 36 per cent in 1932. Volume of business was sharply lower than a year ago and reached a new low mark in recent years.

During the year Phoenix, of Hartford withdrew from the hail tariff association as did Home and National Union. Globe & Rutgers has ceased writing business.

Comparative figures follow:

(Dominion Licensed Companies)
(A)—Group Experience:

	Net premiums written $	Net losses incurred $	Ratio %
Aetna			
Aetna	9,724	3,437	35.3
Ins of N. A.	17,993	5,692	31.6
Spring. F. & Mar.	15,744	4,981	31.6
Sentinel	450	142	31.6
World F. & Mar.	8,269	2,255	27.3
Mich. Fire & M.	1,799	569	31.6
	53,979	17,076	31.6
Canadian Fire			
Can. Fire	2,551	1,364	53.5
Can. Indem.	12,097	6,589	54.5
	14,648	7,953	54.3
Continental			
Continental Ins.	11,485	6,795	59.4
Fidelity Phoenix	5,208	2,021	38.8
First American	4,643	563	12.1
Maryland	7,824	2,519	32.2
Niagara	11,411	1,329	11.6
	40,521	13,227	32.6
Hartford			
Hartford Fire	56,639	27,680	48.9
Citizens of N. J.	17,654	4,126	23.4
London-Canada	......	......	....
N. Y. Underwrit.	1,157	614	53.1
	75,450	32,420	42.9
Phoenix of Hartford			
Phoenix Ins.	24,920	12,474	50.1
Connecticut	15,038	7,528	50.1
Equitable Fire	3,008	1,506	50.1
Prov. of Washington	21,483	10,754	50.1
Reliance	......	......	....
Westchester	21,483	10,754	50.1
	85,932	43,016	50.1
Royal Exchange			
Car & General	4,506	3,812	84.6
Royal Exchange	3,208	2,656	82.8
State	1,753	122	6.0
	9,467	6,590	73.4
St. Paul F. & M.			
St. Paul F. & M.	24,957	13,059	52.3
Mercury	168	218	129.8
	25,125	13,277	52.8
(B)—Individual Companies:			
Alliance Ass.	9,254	4,909	53.0
Amer. Alliance	1,109	80	7.2
Bee Hail	4,397	929	21.1
Canada Security	6,859	4,292	62.6
Gen. Cas. of Paris	90,891	48,604	53.5
Great American	12,752	917	7.2
Home Ins.	27,438	17,074	62.2
London & Scottish	12,652	7,666	60.6
Security	23,929	18,710	78.2
Grand Total, 1933	494,402	236,740	47.9
1932	921,183	332,814	36.1

THE
WESTERN EMPIRE
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

Tariff Firms Hold Fire Volume in '33

But Loss Ratio Slightly Higher Than Non-board Figure According to Financial Post Analysis

Although "tariff" fire insurance companies held tenaciously to their lion share of the business. in Canada during 1933 they ended the year with a slightly higher loss ratio than their non-board competitors according to a special annual analysis prepared by The Financial Post from official government abstract figures.

Two years ago, "board" companies (i.e., companies with membership in the Canadian Fire Underwriters' Association with jurisdiction in Ontario and Quebec) wrote over 79 per cent of the business in Canada as shown by Federal Government returns. A year ago this percentage slipped to 75.6. In 1933 the ratio was 74.4. These figures include the major joint stock companies licensed in the provinces and also the important Ontario cash mutual companies. They do not include, however, the New England factory mutual group, nor Lloyds, nor provincially licensed reciprocals.

The basis used for "tariff" membership is that of the Canadian Fire Underwriters Association. This applies also to the detailed figures on page 12. Some companies and groups such as Canadian General are thus listed as non-tariff although in Western Canada they operate as a board office. The grouping chosen, however, affects the bulk of business written in Canada.

Proportion of Fire Insurance Written in 1933
(On Basis of Net Premiums Written)

	1933 %	1932 %	1931 %
Tariff co's.	74.4	75.6	79.2
Non-tariff co's. (total)	25.6	24.4	20.8
(a) Mutuals	12.8	12.1	9.6
(b) Joint-stock	12.8	12.3	11.2
	100.0	100.0	100.0

On the basis of "earned" loss ratios the federally-licensed reciprocals made the best showing in 1933 according to The Post analysis. These companies reported a loss ratio of only 35.6 per cent. Mutual companies came next with a loss ratio of a little more than 44 per cent while joint stock companies writing outside the "tariff" aegis showed a loss ratio of 48.9 per cent. The corresponding figures for tariff or board companies was 49.1 per cent.

Sharpest improvement during the year was in the mutual group which last year showed a loss ratio of almost 75 per cent. The tariff loss ratio a year ago was but 59.5 per cent.

	Net Premiums Written $	Earned Loss Ratio %
Tariff Companies:		
1933	32,716,629	49.1
1932	37,299,924	59.5
1931	41,524,767	58.0
Non-Tariff Companies:		
(a) Joint Stock Co's.:		
1933	5,655,413	48.9
1932	6,090,758	65.9
1931	5,921,810	61.8
(b) Mutuals and Reciprocals:		
1933†	5,606,923	44.1
1932	5,985,173	74.7
1931	5,079,369	55.7
(c) Reciprocals:*		
1933	504,246	35.6
Total Non-Tariff:		
1933	11,262,336	46.5
1932	12,075,931	69.1‡
1931	11,001,179	60.4‡
All Companies:		
1933	43,978,966	48.4
1932	49,375,855	61.5‡
1931	52,525,946	57.9‡

†Mutual companies alone in 1933 reported net premiums written of $5,102,678 and an earned loss ratio of 44.98%.

*Not segregated prior to 1933.

‡Ratios are exclusive of Ontario cash mutuals prior to 1933.

Another interesting commentary on the respective operations of different groups during 1933 is somewhat similar data released by the Ontario superintendent of insurance, R. Leighton Foster and showing the comparative experience of the various groups licensed under his jurisdiction.

These figures which are for Ontario business only, are as follows:

	Net Premiums Written $	Net Premiums Earned $	Net Losses Incurred $	Earned Loss Ratio %
Joint Stock	13,599,990	14,216,963	7,165,494	50.40
Farmers' Mutuals	1,757,727	1,810,993	1,479,137	81.68
New England Factory Mutuals	776,772	751,864	66,939	8.90
Other Mutuals	743,554	752,148	281,117	37.37
Cash Mutuals with Capital	1,451,676	1,469,193	839,361	57.18
Cash Mutuals without Capital	112,074	110,813	49,945	46.07
Reciprocal Exchanges	202,242	233,861	110,476	47.24

PLATE GLASS

(Dominion Licensed Companies)
(A)—Group Experience:

	Net premiums written $	Net losses incurred $	Ratio %
British American-Western			
British America	2816	1484	52.7
British Canadian.	1,328	760	57.2
British Empire	895	432	48.2
Imp. Guar. & Acc.	1,071	540	50.4
Western Assur.	4,555	2,081	45.7
	10,665	5,297	49.7
Commercial Union			
Canada Accident.	10,810	5,123	47.4
Com. Union Assur.	3,238	1,409	43.5
Union Assurance	1,229	470	38.2
	15,277	7,002	45.8
Norwich Union			
Canada Security	1,421	1,838	129.3
Norwich Union	13,441	5,287	39.3
	14,862	7,125	47.9
Canadian Fire			
Canadian Fire	3,033	925	30.5
Canadian Indem.	10,287	7,193	70.2
	13,270	8,118	61.2
Dominion of Canada			
Casualty Co.	19,683	9,038	45.9
Dom. of Can. Gen.	21,234	8,393	39.5
	40,917	17,431	42.6
Shaw & Begg			
Consolidated	4,242	3,547	83.6
Lloyd's Casualty	—640	605	....
Federal*	2,782	1,788	64.3
	6,384	5,940	93.0
Massey & Renwick			
Dominion Fire	3,559	1,786	50.2
Metropolitan Cas.	1,126	837	74.3
	4,685	2,623	56.0
U. S. Fidelity			
Fidelity Insur.	3,810	2,127	55.8
U.S. Fidelity & G.	9,780	3,624	36.0
	13,590	5,651	41.6
General Accident			
Gen. Acc. of Can.	24,535	14,551	59.3
Gen. Acc. F. & L.	3,606	1,532	42.5
	28,141	16,083	57.1
Royal, Liverpool & Globe			
Globe Indemnity	14,785	4,352	29.4
Liverp'l & L & G.	—36	435	....
Royal Insurance	7,960	4,658	58.8
	22,709	9,445	41.6
Century			
Anglo Scottish	1,154	650	56.3
Century Ins.	2,353	2,315	98.4
Southern Ins.	519	361	69.5
	4,026	3,326	82.6
London and Lancashire			
Law Union & Rock	3,830	2,332	60.9
London & Lanc. G. & A.	12,388	6,153	49.6
Hand-in-Hand*	1,491	807	54.1
	17,709	9,292	52.5
Can. General			
Can. General	11,826	3,758	31.7
Tor. General*	4,827	1,842	38.2
	16,653	5,600	33.6
Sun			
Sun Insurance	1,676	582	34.7
Imperial Ins.	4,700	4,022	85.5
	6,376	4,604	72.2
Phoenix-England			
Lon. Guar. & Acc.	4,955	2,098	42.3
Union Marine	2,085	1,306	62.6
Phoenix Ass.	2,631	608	23.1
	9,671	4,012	41.5
Yorkshire			
London and Prov.	300	79	26.3
Yorkshire	8,353	5,502	65.8
	8,653	5,581	64.5
Northern			
Scottish Metrop.	1,138	375	32.9
London and Scot.	1,811	375	20.7
Northern Assur.	14,373	7,091	49.3
World Mar. & G.	5,786	2,058	35.5
	23,108	9,899	42.8
North British			
North British	7,230	3,253	44.9
Occidental Fire	551	365	66.2
Railway Pass.	4,860	2,791	57.4
	12,641	6,409	50.7
(B)—Individual Companies:			
Alliance Ass.	5,061	2,409	47.6
Atlas	530	67	12.6
Br. Northwestern	1,350	109	8.1
Canadian Surety.	5,487	3,247	59.2
Century Indem.	—58	213	....
Continental Cas.	7,354	4,514	61.4
Eagle Star	3,515	2,552	72.6
Employers' Liab.	10,709	5,522	51.5
Fidel. & Casualty	44	......	....
Gen. Cas. of Paris	9,618	5,336	55.5
Gen. Cas. of Amer.	3,848	1,691	43.9
Great American	25,369	25,179	99.2
Guard. Ins. of Can.	9,026	4,178	46.3
Guildhall	2,041	1,462	71.6
Halifax	3,811	2,871	75.3
Hartford Acc.	4,445	2,331	52.4
Indemnity Insur.	5,271	2,087	39.6
Legal & General	1,069	295	27.6
Lumbermen's Mut.	5,611	1,855	33.1
Maryland Cas.	3,009	1,150	38.2
Motor Union	949	832	87.6
National Prov.	23,687	5,965	25.2
National Surety	—44	44	....
Ocean Acc. & G.	46,875	22,517	48.0
Pilot*	2,467	856	34.7
Portage la Prairie	2,549	1,755	68.8
Provident*	8,307	3,430	41.3
Prudential Ass.	3,820	1,659	43.4
Trans-Canada	1,602	2,648	165.3
Travelers Indem.	8,696	5,614	64.5
Union of Canton.	5,585	3,259	58.3
Zurich	7,098	3,357	47.3
Grand Total, 1933	468,120	243,719	52.1
1932	510,543	244,152	47.8

*Ontario licensed companies. Official figures.

PROTECTION PLUS PROFIT ● SAVINGS WITH SECURITY ● PROTECTION PLUS PROFIT ● SAVINGS WITH SECURITY

TODAY'S DOLLAR is at its HIGH

Never will your dollar be more valuable for the purchase of life insurance than it is today. *You* cannot buy it so cheaply at any future time.

Also, there is a way to send today's dollar to market and make it produce almost double results. It is by means of a GREAT-WEST LIFE "Double Protection" policy.

If your family needs extra protection, and you are in good physical trim, you can create an immediate estate of sizeable proportions at a rate that will never be as low for you again. Use your dollars to their full value today.

Learn the full details of "Double Protection" from our nearest Branch Office, or write to Head Office, Winnipeg.

THE
GREAT-WEST LIFE
ASSURANCE COMPANY

SAVINGS WITH SECURITY ● PROTECTION PLUS PROFIT

FIDELITY

Loss Ratio Much Improved and Volume is Maintained

(Dominion Licensed Companies)
(A)—Group Experience:

	Net premiums written $	Net losses incurred $	Ratio %
W. H. Burgess			
Canadian Surety.	64,156	33,434	52.1
New York Cas.	—76	—10	....
	64,080	33,424	52.1
British Am.-Western			
British America	15,674	4,661	29.7
British Canadian.	5,338	1,479	27.7
British Empire	707	189	26.7
Imperial G. & A.	44,531	9,419	21.1
Western Assur.	5,701	1,595	27.9
	71,951	17,343	24.1
Canadian Fire			
Canadian Fire	4,828	......	....
Canadian Indem.	60,888	8,848	14.5
	65,716	8,848	13.5
Dominion of Canada			
Casualty Company	2,121	380	17.9
Dom. of Can. Gen.	80,364	22,342	27.8
	82,485	22,722	27.5
North British & Merc.			
North Brit. & M.	9,936	87	0.8
Railway Passeng.	4,441	—428	....
	14,377	—341	....
Northern			
Northern Assur.	2,952	495	16.7
Scottish Metropol.	258	......	....
World Mar. & G.	306	—616	....
	3,516	—121	....
Norwich Union			
Canada Security.	1,385	1,657	119.6
Norwich Union	10,537	8,901	84.5
	11,922	10,558	88.5
Phoenix-England			
Lond. G. & Acc.	33,255	7,504	22.6
Phoenix	15,377	......	....
Union Marine	283	......	....
	48,915	7,504	14.3
Royal, Liver., London & Globe			
Globe Indemnity.	16,825	14,752	87.7
Liver. & L. & G.	4,253	575	13.5
Royal Insurance	12,223	11,062	90.5
	33,301	26,389	79.2
Sun			
Sun Insur. Office	773	......	....
Imperial Ins. Off.	325	......	....
	1,098	......	....
U. S. Fidelity			
Fidelity Insurance	26,729	8,433	31.5
U. S. Fidel. & Gr.	165,718	82,261	49.6
	192,447	90,694	47.1
Yorkshire			
London & Pr. Mr.	449	—417	....
Yorkshire	2,441	—22	....
	2,890	—439	....
(B)—Individual Companies:			
Alliance Assur.	4,251	1,526	35.9
American Surety.	15,533	3,909	25.2
Canada Accident.	8,068	9,183	113.8
Can. General	32,761	1,777	5.4
Century Indem.	......	61	....
Century Insur.	3,733	—1,439	....
Employers' Liab.	110,245	26,857	24.4
Employ. Reinsur.	3,299	......	....
Fidelity & Cas.	1,425	......	....
Gen. Acc. of Can.	23,327	5,451	23.4
Gen. Cas. of Paris	4,683	75	1.6
Grain Insurance.	43,155	22,122	51.3
Guar. Co. of N. A.	109,139	24,354	22.3
Guardian of Can.	37,636	20,130	53.5
Hartford Acc.	2,232	65	2.9
Indem. Ins. of N.A.	21,040	1,013	4.8
Intl. Fidelity	4,342	487	11.2
Law Union & Rock	—302	—6	....
Lloyd's Casualty	......	54	....
Lond. & Lanc. G. & A.	9,860	250	2.5
Metro. Casualty	261	......	....
Maryland Cas.	12,602	3,135	24.9
National Surety	56,687	26,850	47.4
Ocean A. & Guar.	17,784	9,550	53.7
Pearl	2,173	21	0.9
Prudential Assur.	1,011	......	....
Royal Exchange	16,988	3,404	20.0
Union of Canton.	1,285	1,669	129.9
Grand Total, 1933	1,135,866	377,079	33.2
1932.	1,204,979	638,736	53.0

SURETY

(Dominion Licensed Companies)
(A)—Group Experience

	Net premiums written $	Net losses incurred $	Ratio %
Brit. Amer.-Western			
British America	5,978	394	6.6
British Empire	581	59	10.1
Imp. Guar. & Acc.	6,328	562	8.9
Western Assur.	5,461	388	7.1
	18,343	1,403	7.6
Canadian Fire			
Canadian Fire	2,489	......	....
Can. Indemnity	47,963	7,588	15.8
	50,452	7,588	15.0
Dominion of Canada			
Casualty Co. of Can.	2,572	1,925	74.8
Dom. of Can. Gen.	18,853	6,321	33.5
	21,425	8,246	38.5
London & Lancashire			
Law Union & Rock	393	5	1.3
London & Lanc. G. & A.	14,955	153,701	1,027.7
	15,348	153,706	1,001.5
Northern			
Northern Assur.	2,605	—8,051	....
Scottish Metrop.	236	126	53.4
World Mar. & G.	286	—6,899	....
	3,127	—14,824	....
North British & Mercantile			
North Brit. & M.	2,016	27	1.3
Rly. Passengers	1,496	......	....
	3,512	27	0.7
Norwich Union			
Canada Security	656	—142	....
Norwich Union	6,130	835	13.6
	6,786	693	10.2

Discuss Insurance Loan With Your Bank Manager

Business Insurance Surrender Last Resort in Reducing Bank Loan — Better to Take Policy Loan

By R. M. HAULTAIN

Your bank loan is dragging. Your collateral has shrunk to the point where it is insufficient. Your business life insurance policies have been in force for some years and have built up substantial cash values on which there is no shrinkage. You have assigned them to the bank.

You have two alternatives in case of emergency:

1. To surrender them for cash;
2. To borrow the loan values from the life insurance company.

Let us examine the reasons why it is advisable to borrow instead of surrender. You can pay the bank approximately the same amount of cash on either method.

1. If you surrender them you are tearing down the whole structure (as built up in previous articles) on which the perpetuation of your business depends. You are knocking out the financial keystone in your comprehensive arrangements. You may not now be insurable, for medical or other reasons, and it may be impossible to get further protection on your life. The rates for replacement have increased with your age.

2. If you borrow against them you are impairing this structure but not wrecking it. You have the opportunity to work it back to normal.

Policies Return Current Profit

Consider also this point. An ordinary life policy arrives, in time, at the point where the annual increase in cash value exceeds the net annual premium deposit, if the policy was taken out at a reasonable age. The structure is such that the life insurance company credits you with cash each year in excess of the premium deposit you pay to the company. This point has amazed a good many men who had fallen into the habit of regarding their life insurance premiums as expense. Perhaps it will amaze you when you look into it. Check up on it by getting your life insurance man to show you in black and white where the dividing line between expense and current profit is in your policies, and the factors that cause it.

Instead, therefore, of telling your bank manager to surrender your assigned policies, examine them from this angle and the chances are that you will want your bank to get their money out of them by borrowing instead of surrendering.

Leave Cash Cushion

When you discuss with your bank manager the stabilizing arrangements which these policies finance, you and he will probably decide that leaving a cash cushion in them of two or three years premium deposits is to your mutual interest. A perusal of preceding articles will probably cause you to decide that on your decision on this question of loan vs. surrender may well depend the perpetuation or eventual collapse of your business.

The consensus of opinion among experienced bank managers whom I have interviewed on this matter is that in practice they advocate the loan method instead of surrender, but that sometimes they have difficulty in persuading customers, who are not familiar with business insurance to look into it enough to see the advantages of the loan method.

This is article thirteen of the second series (twenty of the double series) on Business Insurance, written for The Financial Post by R. M. Haultain. The valuation of a deceased partner's interest is scheduled for next week.

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SURETY (Continued)

	Net premiums written $	Net losses incurred $	Ratio %
Phoenix-England			
Lon. Gr. & Acc.	34,225	15,731	45.9
Union Marine	1,959	......	....
Phoenix Ass.	1,276	......	....
	37,460	15,731	42.0
Royal, Liver., London & Globe			
Globe Indemnity.	15,344	7,659	49.9
Liver.. & L. & G.	2,832	—6,145	....
Royal Insurance.	12,851	1,363	10.6
	31,027	2,877	9.3
Shaw & Begg			
Consolidated F.	2,473	2,404	97.2
Lloyd's Cas.	264	......	....
	2,737	2,404	87.8
Sun			
Sun Ins. Office	449	......	....
Imp. Ins.	314	600	191.1
	763	600	78.6
United States Fidelity			
Fidelity Insur.	21,220	12,577	59.3
U. S. Fidel. & G.	65,329	32,186	49.3
	86,549	44,763	51.7
(B)—Individual Companies			
Aetna Casualty	37,518	2,314	6.2
Alliance Assur.	849	4,523	532.7
American Surety.	11,727	6,235	53.2
British Canadian.	56	3	5.4
Canada Accident.	13,138	10,700	81.4
Can. Surety	72,588	21,101	29.0
Century Indem.	320	......	....
Century Insce.	822	......	....
Can. General	80,642	2,529	3.7
Employers' Liab.	31,920	10,235	32.1
Employ. Reinsur.	4,979	......	....
Fidelity & Cas.	142	......	....
Gen. Acc. of Can.	27,143	7,680	28.3
Gen. Cas. of Paris	1,895	—25	....
Guar. of N. A.	17,663	5,551	31.4
Guardian of Can.	8,564	2,888	33.7
Hartford Acc.	2,353	......	....
Indemnity Ins.	177	......	....
Maryland Cas.	3,031	—4	....
National Surety	19,347	24,533	126.8
Ocean A. & Guar.	7,128	2,385	33.5
Pearl	85	......	....
Prudential Assur.	176	......	....
Royal Exchange	20,321	—1,123	....
Yorkshire	869	4,535	521.9
Grand Total, 1933.	640,981	327,274	51.1
1932	723,503	326,267	45.1

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PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Assets — $49,000,000.00
Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger
HEAD OFFICE: TORONTO, CAN.

New General Manager For Western Empire

Homer S. Robinson has been appointed general manager of The Western Empire Life Assurance Co. with head office in Winnipeg.

Mr. Robinson entered the life insurance business 10 years ago and for the past three years has been Manitoba branch manager of Excelsior Life Insurance Co.

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NEWS FROM

Canada's Capitals

A week-by-week summary from Ottawa and the provincial capitals of legislative developments of interest to business.

Week in Ottawa

OTTAWA, March 26 — House of Commons: Hon. W. A. Gordon, Minister of Labor, moved second reading of the Unemployment Relief Act, 1934. The bill was debated. Hon Robert Weir, Minister of Agriculture, introduced the Natural Products Marketing Act.

Senate sub-committee, met to dispose of the non-contentious clauses of the Revised Shipping Act. Meetings will continue until Parliament resumes in April.

Mar. 27—House of Commons: Annual report of the National Railways for 1933 tabled. Amendments to the Fruit Act given third reading. Unemployment Relief Act debate continued.

Senate: Criminal Code (race track) amendment given first reading. Amendments to the Royal Canadian Mounted Police Act passed.

Banking and Commerce committee: Revised Canadian and British Insurance Act further considered. Admiralty Act discussed.

Mar. 28—House of Commons: Unemployment Relief Act further debated. Commons adjourned until April 9.

Senate: Following bills given royal assent: Fisheries Act, National Railways auditors, Technical Education Act, Railway agreement legislation re joint use of trackage and premises, R.C.M.P. Act, and Interim supply. The Senate adjourned until April 11.

* * *

Alberta

EDMONTON, Mar. 19—Bill to permit province to keep funds collected under Succession Duties Act which was declared ultra vires given second reading. Ten bills given third reading; one requires applicants to have grade XI instead of XIII certificate when taking up training as nurses; another provides for seed advances to farmers, restricts period until May 15, 1934.

Mar. 20—Bill calling for licensing and inspection of all bakeshops introduced. Announced that sale of provincial saving certificates during 1933 amounted to nearly $5,000,000.

Mar. 21—Provincial estimates considered. Expenditure on Government House passed.

Mar. 26—Premier stated that government would soon canvass the whole situation regarding surface rights of owners of gas fields in Turner Valley. Stated that there was no immediate thought of spending $10,000,000 on medical scheme.

Mar. 27—Wheat control bill given second reading. Grant to University passed.

Mar. 28—Deficits on provincial telephone system unavoidable under present conditions, it was stated. Announced that changes would be proposed in Liquor Act in new bill soon to be introduced.

* * *

British Columbia

VICTORIA, Mar. 21.—Special Powers bill debated.

Mar. 22.—Special Powers bill given second reading; vote 31 to 12.

Mar. 23. — Many bills advanced. Third reading given to the water act amendments, bill creating the economic council and amendments to the Superannuation act and Hospital act.

Mar. 26.—Premier announced that province would meet all debts. Special Powers Act finally passed after debate lasting into Tuesday morning. Second reading given to amendment to Societies act bringing the insurance features of societies under the Insurance act. Bill to give legal status to "drugless healers" defeated.

* * *

Manitoba

WINNIPEG, Mar. 19 — Premier Bracken explained reasons for emergency wheat bill; Sanford Evans attacked powers which bill would confer on wheat board.

Mar. 20 and 21—Wheat control bill occupied sessions.

Mar. 22 — Third reading given to nine bills, chief of which was amendment to Master and Servants act, giving servants rights regarding unpaid wages. Second reading given seven bills, all amendments to the Municipal act. First reading given five bills, three amendments to municipal act and an amendment to Libel act.

Mar. 23—Wheat control bill given second reading. Second reading of a bill to amend Winnipeg street railway charter failed to come to vote and was referred to committee of whole.

Mar. 26—Proposal to abolish 2 per cent wage tax and substitute 2 per cent turnover tax introduced by Marcus Hyman, Labor.

Mar. 27 — Second reading given to four bills; to amend Assessment Act to provide for statute labor on roads in unorganized territories; to amend Municipal Act; to continue public utility board's jurisdiction over milk; to amend Game and Fisheries Act raising licenses.

Mar. 28 — Amendment to Minimum Wage Act to bring to all workers, male and female, under its jurisdiction, given second reading. A number of other local bills given second reading.

Mar. 29—Milk sale bill given third reading. Ten bills given third reading, mainly amendments to Municipal and Assessment Acts; one provides for a holiday on Boxing Day.

* * *

Ontario

TORONTO, Mar. 28.—Report of the labor committee tabled; suggested that steps be taken to curb abuses in the construction industry following N.R.A. practices. Beer bill passed through committee.

Mar. 29.—Closing session marked by debates on beer bill. Many bills given third reading including Highway act amendment.

* * *

Saskatchewan

REGINA, Mar. 23—Highways estimates of $1,109,000 passed.

Mar. 27—Royal assent given to 34 bills, 8 of which were private measures; amendments to the Dairy Products Act and Relief Acts were most important. Bill to amend Medical Act to make College of Physicians and Surgeons court in charge of charges of unprofessional conduct voted out. Third reading given to amendments to Arrears of Taxes Act, Companies and Land Titles Act. Debate on second reading of Civil Rights Act to delete the personal covenant from land mortgages adjourned.

Mar. 28 — Measure to consolidate arrears of taxes offering complete wiping out of penalties approved by law committee.

C. WESTINGHOUSE EARNINGS LOWER, LIQUIDS STRONG

Working Capital Lower—Selling More Household Merchandise

Canadian Westinghouse Co. annual report for 1933 shows net earnings down from $1,021,331 in 1932 to $744,963 in 1933, before depreciation and taxes, due to the dearth of major power developments in the Dominion during 1933 in spite of an unmistakeable upswing in general business activities. The company benefitted from higher sales of apparatus and of household appliances, however, sales of this class, including lamps, accounting for one half the total sales volume.

Paul J. Myler, chairman and president, states that sales in the refrigerator field were successful and that the public received the company's line of radio receiving sets favorably. The company plans to market entirely in its own plant the complete line of Westinghouse electric ranges hitherto made jointly with another concern.

The company reduced its surplus during the year from $7,554,624 to $6,944,587 by reason of paying full dividends which were not quite half earned. Its very strong liquid position permits such a payment in a year of adverse business.

Income and Surplus Account
Years Ended Dec. 31

	1933	1932
	$	$
Net earnings	744,963	1,021,331
Less: Deprec.	190,000	205,000
Dom. taxes	50,000	60,000
Pension fund	35,000	50,000
Net profit	469,963	706,331
Less: Dividends	1,080,000	1,080,000
Surplus for year	†610,037	†373,669
Add: Prev. surp.	7,554,624	7,953,437
Less: Inc. tax adj.	......	25,144
Balance forward	6,944,587	7,554,624

*Including royalties and investments.
†Deficit.

Working Capital

	1933	1932
	$	$
Current assets	11,559,060	12,930,348
Current liabs.	579,878	1,426,816
Working capital	10,979,182	11,503,532
Ratio	19.93—1	9.07—1

Bonds Are Higher

Decrease in current assets was distributed among the following items: cash down from $2,226,918 to $1,831,361; accounts and bills receivable down from $1,134,476 to $893,475; inventories down from $3,073,102 to $2,012,894. The only increases resulted from the fact that government bonds and investments went up from $7,581,681 to $7,632,996 and that it was only necessary to deduct $811,666 from the total current assets for advance payments on contracts as compared with $1,085,829 a year earlier.

The reserve for depreciation still stands at $750,000.

There are no bank loans and no funded debt. The 540,000 no par value common shares outstanding, have therefore an equity of $20.33 in net current assets, an additional $9.13 in depreciated valuation given to real estate, buildings, plant and machinery and 7 cents a share in prepaid items, or $29.53 a share in all.

CONSOL. BAKERIES KEPT UP EARNINGS IN DIFFICULT YEAR

Writing Down of Assets Cut Down Depreciation Requirement

Though keen competition and extremely low prices made 1933 one of the most difficult years which the Canadian baking industry has encountered in its history, Consolidated Bakeries had net earnings of $251,847 as compared with $249,716 in 1932. By reason of the action taken early in the year to reduce the the balance sheet valuation of investments and other capital assets to present day values, to write off the item of goodwill and to reduce the capital stock valuation to correspond, the company only needed to write off $144,443 to depreciation in 1933 as compared with $239,800 in 1932. This left a net profit after income tax of $93,928 and permitted it to pay on April 3, $79,611 in dividends on the 318,440 ordinary shares outstanding, or 25 cents a share.

John Turnbull, president, in the course of the directors' report stated that the payment of further dividends would necessarily depend upon future earnings.

Consolidated Income and Surplus Account
Years Ended Dec. 31

	1933	1932
	$	$
Net earnings	251,847	249,716
Less: Depreciation	144,443	239,800
Income tax	13,476	......
Net profit	93,928	9,916
Less appropriations:		
Dividends	79,611	119,422
Surplus for year	14,317	*109,506
Add: Previous surplus	80,074	184,596
Inc. tax res. not requir.	......	......
Balance carr. forward	94,391	80,074

*Deficit.

Two Costly Taxes

Mr. Turnbull states that the cake sales tax of 6 per cent and the tax on sugar of 2 cents per pound imposed further handicaps upon the industry by increasing costs and reducing the demand. These two taxes alone cost the company $116,000 during 1933.

Working Capital

	1933	1932
	$	$
Current assets	1,496,639	2,651,556
Current liabs.	218,746	139,746
Working capital	1,277,893	2,512,318
Ratio	6.84—1	19.04—1

Real Working Capital

The great drop in current assets was more apparent than real. The chief item was a fall in investments and bonds from $1,990,645 to $695,312. But the high total shown at the end of 1932 was illusory because the market value was only $697,357 whereas at the end of 1933 the market value was $858,672. Current assets on the basis of market value would therefore have shown an improvement because other items showed an increase: cash increased from $119,962 to $313,013; demand accounts receivable went up from $97,940 to $192,257; trade accounts receivable gained from $273,159 to $282,213; and inventories went up from $169,850 to $193,844.

The higher current liabilities were due to the decision to pay dividends.

There is no funded debt and no bank loans. The 318,443 no par value common shares, including the three management shares, have therefore an equity of $4.01 a share in net current assets alone as well as $6.40 in land, buildings, plant, machinery and equipment, written down about 50 per cent. There is an additional 15 cents a share equity in mortgage receivable and prepaid items, or $10.56 in all.

Company Unions Vindicated By Auto Plant Crisis

Fundamental Issue Involved in Recent Clash in U. S. A. — Significance is Far-reaching

By DR. GAINES T. CARTINHOUR
School of Commerce, Accounts and Finance, New York University

NEW YORK.—Many Canadians are doubtless interested in the labor crisis in the United States, which has been brought about by the National Recovery Act.

The threatened strike in the motor industry ushered in a critical period for N. R. A. It has already been subjected to relentless pressure from all sides and, in the opinion of many economists, now faces a lingering struggle for existence against growing odds. The entire industrial programme was affected by the threatened strike. Closing the factories in this industry would have had far-reaching results and involved the iron, steel, coal, wood, glass, rubber, wool, cotton and other industries.

Fundamental Issue

The fundamental issue involved the interpretation of Section 7 (a) of the N. R. A., which guarantees to employees the right to organize and bargain collectively through representatives of their own choosing, and without interference on the part of employers. No question of wages was involved because the hourly rate as well as aggregate weekly rate closely approximates those paid during the boom year of 1929. Furthermore, within 20 per cent as many men are employed as in that year. The American Federation of Labor could not charge the automobile manufacturers with unfair treatment in any respect except that they wished to retain company unions and did not favor employees joining independent unions. The sole issue was union recognition.

At the time Section 7 (a) was drawn up, it is probable that the intent of the Administration was to encourage all labor to be brought under the jurisdiction of the A. F. of L. Action regarding the National Labor Board and the Wagner Closed Shop Bill substantiates this belief. But the threatened automobile strike brought about something of a change in this respect in administration policy.

Company Union Vindicated

In effect, the company union has been completely vindicated (but workers can remain unorganized if they wish), and the A. F. of L. is prevented from becoming the only union which is permitted in the motor industry, according to the terms of an agreement reached recently. All claims must now be submitted — not to the National Labor Board in Washington — but to a new labor board set up in Detroit, and composed of one representative of labor, one of management, and one of the Federal Government.

Similar boards of arbitration will be established for other industries to handle disputes under the codes. Such boards have already been established in the cotton textile, bituminous coal, and a few other industries. Administrative procedure for handling such disputes has now been officially announced but ever since the N. R. A. was passed last June there has been considerable difference of opinion as to the meaning of Section 7 (a). The potential effect of this section is still under-rated. It involves between fifteen and twenty million workers.

The Roosevelt administration is placed in a difficult position if it is true (as has been alleged) that the N. R. A. has been influenced by the chieftains of the A. F. of L., and other friends of labor to take their side during controversies. This would destroy the confidence employers may have in the Government of the United States as a mediator. It is well-known that the present administration has been doing more to advance the cause of labor than any régime in the history of the United States.

The Government has stated that it intends to be as fair to one side as to the other but the choice of Dr. Leo Wolman as the representative of the Government on the Automobile Labor Board has created considerable discussion because he has always lived in an atmosphere of trade unionism. At one time he was the head of the Amalgamated Clothing Workers and many believe he was put on the board because of the desire of the administration to swing the balance in favor of labor.

Other Strikes Possible

Labor troubles disturb confidence and make future planning impossible for business executives. In the opinion of the writer, in spite of the fact that the auto strike has been averted, there may be a spread of strikes and labor disputes to other industries.

The motor industry proposes to conform to the wishes of the administration for many reasons, and raise wages 10 per cent as well as reduce maximum hours from 40 to 36 hours. Ford and General Motors already have taken definite action in this respect. The steel industry has likewise increased wages 10 per cent in order to try to avert a crisis, according to reports. This industry ranks second to the motor industry in the major group that have been successful holdouts against the A. F. of L. for many years. Public utilities are third and copper mining fourth. But shortly after the steel increase, steel officials declared drastic price increases are imperative, pointing to advances in raw materials and labor costs during the past year, without corresponding increases in finished steel prices. All of which means that sooner or later the consumer may be confronted with higher prices.

Wagner Bill Outlined

The Wagner Bill, if enacted, would put a far greater handicap on all employers than industry labor boards. It would forbid the existence of company unions, would require the employer to come to a bargain with the outside union, and would in effect require every worker to join the outside union because the employer would be forbidden to deal with an individual worker.

The railroad labor controversy is quite different from that in the automobile industry because it merely involves a wage question, rather than one of fundamental organization. Collective bargaining is highly desirable, in the opinion of the writer, but neither party should be tied in with the Government when it acts as the mediator.

FIRST REPORT OF UNITED DISTILLERS SHOWS STOCKS UP

Earned 8.3c Per Share in Six Months Ended Jan. 31, 1934

United Distillers of Canada Ltd. and its subsidiary company, United Distillers Ltd had net profit of $166,049 in the six months ended January 31, 1934, the first fiscal period since public offering of 200,000 shares of stock of the parent company last October. After deducting $27,862 for depreciation and $36,400 for income taxes the company earned 8.3 cents per share on the 770,006 shares of no par common stock outstanding. No statement as to the course of the company's operations is incorporated in the balance sheet. Surplus is shown at $101,787 while capital is carried at $1,944,698.

The statement shows current assets at $1,804,790 and current liabilities at $283,906. Cash amounts to $242,193 while inventories, at cost or approximate market whichever is lower, are carried at $1,318,635. Included in inventories are 2,569,067 American gallons of bulk and bottled whiskies, rye, bourbon and Canadian rye, which are valued at $1,178,569. Imported whiskies for blending are carried at $18,876. Chief items among current liabilities are a bank loan of $105,000 and trade accounts payable of $100,513, while reserve for income taxes is shown at $62,799.

Inventory Higher

Fixed assets are valued at $429,434 after deducting reserve for depreciation amounting to $416,764. Investments at cost include a 50 per cent stock interest in Bonded Brands Inc., carried at $25,000; and shares of John Dunbar & Co., carried at $10,000 while shares in selling agency are carried at $8,500.

Properties of the company are owned by the wholly-owned subsidiary, United Distillers Ltd., and are located in Vancouver where the latter company has operated for a number of years. At July 31, 1933, the company had on hand 1,945,507 American proof gallons of liquor as compared with 2,569,067 gals. at January 31, 1934.

Income and Surplus Account
Year Ended Jan. 31

	1934
	$
Profit for 6 months	166,049
Less: Depreciation	27,862
Taxes	36,400
Surplus	101,787

THIRD C.G.I. TRUST VALUES INCREASE BY 22 P.C. IN 1933

Net Income Less But Profit is Realized on Securities Sold

While total income of the Third Canadian General Investment Trust Ltd. dropped to $63,498 in 1933 as compared with $76,267 in 1932 fixed charges were lower and net profit of $51,170 was only $4,000 less than in 1932. Earnings per share on the 677,384 shares of capital subscribed dropped to 7½ cents from 8.1 cents. The amount remaining unpaid on subscribed capital is unchanged at $123,612. During 1933, however, the net value of the company increased by $189,618, or 22 per cent.

The company had net realized profit of $58,016 on securities sold which increased distributable surplus to $279,411. In 1932 net realized losses on securities sold and on settlement of loans amounted to $134,997. Liability on account of secured loans has been reduced to $73,134 from $124,958.

Income and Surplus Account
Years Ended Dec. 31

	1933	1932
	$	$
Total income	63,498	76,267
Less: Int. on loans	3,424	5,763
Management fee	6,750	5,577
Miscellaneous	954	2,916
Income tax res.	1,200	6,902
	51,170	55,109
Less appropriations:		
Dividends	65,258	......
Surplus for year	*14,088	55,109
Add: Prev. surplus	55,109	......
Balance forward	41,021	55,109

*Deficit.

With total assets of $957,981 the investments of the trust are carried at book value of $938,768 which is under the market value of $1,118,630 as at December 30, 1933. In 1932 no market value was stated. During 1933 investments in bank and trust company shares were reduced from 24.1 per cent to 7.4 per cent of the portfolio. Holdings of bonds and debentures were up slightly at 22.4 per cent of the portfolio while chief increase is shown in preference shares, up to 24.4 per cent from 15.9 per cent and in common shares, up to 44.1 per cent from 37 per cent.

Gordon Perry Elected Member Montreal Exchange

From Our Own Correspondent

MONTREAL.—Gordon Perry, member of the Montreal Curb Market, has been elected a member of the Montreal Stock Exchange. For the past four years Mr. Perry has been Curb floor trader for Flood, Potter and Co., members of the two exchanges, and will now become a partner in that firm.

FAMOUS PLAYERS POSITION BETTER AT END OF 1933

Improved Liquid Assets and Cut Down Purchase Money Obligations

Famous Players Canadian Corp., Ltd., and subsidiary companies improved their financial position by $104,885 in 1933 though earnings were lower because consolidated statement was able to include profit on marketable securities, discount on bonds redeemed and earned surplus of a subsidiary company taken into the accounts for the first time. The consolidated statement shows operating profit, without these additions, short by $22,565 of paying interest, depreciation and an amount allocated to United States exchange reserve.

Consolidated Income and Surplus Account
Years Ended

	Dec. 30, 1933	Dec. 31, 1932
	$	$
Net earn. fr. oper.	1,179,043	1,543,703
Less: Interest	556,852	629,071
Depreciation	604,312	747,344
U. S. exch. res.	40,444	49,791
Net profit	†22,565	117,497
Less: Com. divds.	......	378,790
Conting. res.	......	100,000
Surplus for year	†22,565	†361,293
Add: Prev. surp.	3,354,526	3,613,535
Surp. from subs.	74,817	97,796
Prof. on secs.	11,782	44,127
Disc. on bonds	40,851	......
Less: Spec. approp. for cont. & deprec.	......	39,639
Balance	3,459,411	3,354,526

†Loss or deficit.

Working capital fell somewhat during the year as shown by the following table:

Working Capital

	1933	1932
	$	$
Current assets	1,721,652	1,389,342
Current liabilities	1,009,252	544,311
Working capital	712,400	845,031
Ratio	1.70—1	2.55—1

Cash and Bonds Gain

The increase in current assets is notable in that it is mainly made up of a cash increase from $569,835 to $775,128 and of an increase in market value of high-class bonds from $625,048 to $745,648. Accounts receivable from debtors at $109,344 show little change and advances to affiliated companies are up from $85,115 to $91,700.

The increase in current liabilities is mainly due to an increase in purchase money obligations from $238,132 to $723,200. It has been customary to include in the current liabilities only such purchase money obligations for properties maturing serially within 12 months but the increased total shown at the end of 1933 includes also notes for $426,000 which are classified by the company as an obligation maturing within 12 months pending settlement of agreement providing for their renewal. There are also purchase money obligations of $253,000 against $946,000 a year earlier for properties maturing after 12 months and so this item is not yet included in current liabilities. Accounts payable are up from $70,313 to $90,003 and, because of the reduction in bonds, accrued interest at the end of the year was $196,060 whereas a year earlier it had been $218,664.

The 6 per cent 1st mortgage 20-year bonds due 1948 were reduced during the year from $5,406,500 to $5,247,500. The latter bond total has working capital of $712,400 as part equity and $11,333,976 in net tangible non-current assets to cover the remaining $4,535,100. This leaves $6,798,876 applicable to $2,794,000 6½ per cent 20 year gold debentures due 1948. The remaining net tangible assets of $4,004,876 are equivalent to $10.57 a share on 378,900 no par value common shares outstanding, of which 96 per cent are held by Paramount Publix Corp., now operating under receivership and bankruptcy in New York City.

B. C. PULP EARNS PROFIT IN 1933 BEFORE INTEREST

Pays Part of Back Interest on First Mortgage Bonds

From Our Own Correspondent

VANCOUVER.—Improvement in the market has enabled B. C. Pulp & Paper Company to report profit of $404,072 in 1933 on operations before interest on bonds and provisions for depreciation, as compared with a loss for 1932 totalling $76,206 on the same basis.

This betterment in conditions in 1933 made it possible for the company to catch up with interest payments on the 6 per cent first mortgage bonds, payment on which had been postponed last May until such time as the company earned sufficient to cover the amount due.

Prices for pulp are still low, but demand has been sufficiently active to keep both the company's mills, at Port Alice and Woodfibre, operating at capacity, according to President Lawrence Killam.

The company is developing trade in the Far East. Oscar Jorgenson, secretary of the company, is now on a tour of Japan making contacts with the company's principal customers in that country.

Catching Up

The payment due May 1 was paid on October 16 together with 8 per cent interest from May 1, while the half-yearly payment due November 1 was paid December 1 with 8 per cent interest for the month it was overdue. No interest was paid, however, on the 7 per cent general mortgage sinking fund bonds which had been in arrears since the beginning of 1932 with the consent of the bondholders.

After allowing for bond interest amounting to $314,788 and for depreciation of $350,000 the loss for the year 1933 is shown at $260,716, compared with a loss for 1932 of $379,853, when no depreciation allowance was made. Added to the previous deficit of $522,202, the loss for 1933 brought deficit account to $782,918.

Working Capital $818,038

Current assets at $1,140,636 are $818,038 in excess of current liabilities. The current assets total compares with $958,398 at the end of 1932, while current liabilities at $322,598 compare with $245,933.

Properties are set down at $6,753,052, after deducting $52,486 for depletion of timber limits and $2,141,320 reserve for depreciation. This compares with $7,114,628 the previous year.

Addition of deferred charges at $46,542 brings the total assets to $8,087,620. Bonded debt at $4,766,400 is unchanged from 1932. Interest owing on the 7 per cent bonds is shown as a deferred liability at $215,340. A reserve of $10,000 is held for contingencies.

Mass Buying Enquiry

Stockyard Charges and Methods Under Scrutiny as Livestock Men Prominent for Second Week — Retailers Charge Rubber Combine

That Canada does not produce enough cattle of the type demanded by the British market to take an important place as an exporter to that country under present conditions, was one of the most important statements made before the Mass Buying Committee during the past week. Jack Byers, who made the statement, has been chief organizer and export manager of the western stock raisers for the past few years and has been engaged in the livestock industry during his entire life.

Mr. Byers thought, however, that the Canadian cattlemen could reasonably expect better treatment from the United Kingdom authorities than they had received, particularly in view of the large quota given to pig producers. He stated that the quota for the first six months of 1934 would be filled long before that period had elapsed and asked that negotiations be entered into to increase the amount for the latter half of the year.

Traces Troubles

Troubles of Canada's cattle industry were traced by the witness to the increasing United States tariffs, culminating with the prohibitory Hawley-Smoot tariffs. Meanwhile, he said, the Canadian livestock industry were not sufficiently organized to establish other markets for its surplus products. Mr. Byers made a plea for more careful consideration of the possibilities of the export market and for other methods of disposing of the surplus cattle, many of which were not of good enough quality to figure as export goods.

The Financial Post continues its chronological summary of evidence given before the committee:

Livestock Recommendations

I. Ingaldson was recalled on March 23. Witness reiterated the chief recommendations suggested by his company, the Canadian Livestock Co-operative (Western) Ltd. These were:

That provision be made for the establishment of a permanent commission to be known as the Canadian Livestock Production and Marketing Commission.

That a conference to be known as the Canadian Livestock Conference be convened by the government within the next two months and thereafter at least once a year. This conference to consist of one representative of the livestock producers' association of each province together with two representatives of each of the following namely: the Industrial & Development Council of Canadian Meat Packers, the railway companies' Joint Council; the Retail Merchants' and Consumers' Associations of Canada, to confer with and make recommendations to the said Commission on all matters of mutual interest or concern pertaining to the livestock industry.

That such commissioners be authorized to engage the services of one or more experts to act in an advisory capacity.

One of the most important functions of the Commission would be to regulate the price of beef so that only small seasonal fluctuations would take place, the witness stated.

Saskatchewan Livestock Problems

Percy E. Roblin, president of the Saskatchewan Co-operative Livestock Producers was the next witness on March 23. Witness submitted a brief in printed form for the members of the Committee.

Witness stated that he hoped he would be able to impress upon the minds of the Committee the necessity of the development of what might be termed "a livestock policy," one of the things which we have not had in Canada, he said.

Witness stated that the truck had rather disrupted the established marketing routine but he felt that it would have to be acknowledged. The farmer demanded it as it made the sending of livestock to market considerably easier for him. He felt, however, that the trucker should be put under control in order to maintain some sort of standard rate.

Witness agreed that livestock should be marketed through the public yards. As he saw it the situation at the present time was tending more and more to direct deliveries to the packing houses. This, he felt, would gradually eliminate any standard of prices. Witness thought that the average farmer was the loser by selling his cattle on the farm to a drover. He felt that the farmer should ship his own cattle to market and take the market price of the day.

Suggests Co-operative Selling

Witness felt that the operation of the drover was irregular and erratic at all times. He stated that co-operative organization of farmers was able to send around a truck at regular intervals to pick up livestock from farmer members.

Mr. Roblin stated that his association felt that it was up to a responsible Commission to develop export marketing to its fullest extent. He read the section of the association brief dealing with this, as follows:

A very important phase of marketing is the taking care of our exportable surplus. While Canada is largely on a domestic consuming basis, it is recognized that a small exportable surplus can have a very detrimental effect on our domestic prices. The proper control and guidance of this surplus is vitally important. A study should be made of the export markets, their potential requirements, our ability to fulfill requirements as to quality and quantity, the supervision of standards of quality and grading.

Price Fixing Query

Witness stated that there were only three real buyers in Saskatchewan, Burns, Swifts, and Canada Packers. Questioned by Mr. Young as to whether those buyers got together and arranged prices, witness stated that there was a possibility that this was so. As a matter of fact, he said, he had information that indicates that from a certain market in Saskatchewan certain deliveries were presented from a local territory on that market and were shipped to an outside market and several car loads brought in from Alberta to take the place of local deliveries.

Witnesses felt that it would require the investigation of a Commission to find out just to what extent, if any, packers could fix prices of livestock on the markets in Saskatchewan.

Jack Byers Testifies

Jack Byers, manager of the Western Stock Grocers' Association, Calgary, was the next witness called on March 23. Witness stated that the value of domestic marketings of cattle and calves in 1932 amounted to $27,500,000 as compared with $90,000,000 in 1928. During this time the number of cattle marketed had declined from 965,000 to 619,000 and of calves from 408,335 to 260,000.

Witness stated that it has been estimated that an increase of only 25 lbs. per capita in the consumption of meat in Canada would wipe out the existing annual surplus and place the industry on a sound basis. Unfortunately he said, cattlemen were not in the financial position to follow the example of the orange growers of California, who a few years ago invested $750,000 in an advertising campaign and not only wiped out a huge surplus but actually created a shortage of their commodity. He stated, however, that the public were receptive to suggestions of this kind and instanced the grading policy adopted by the federal government in 1928. Under this policy, there were two grades, red label and blue label and graded beef had shown a remarkable increase in consumption.

Witness stated that when he left Calgary the price of choice finished steers was $4.75 in that period. The cost of producing a pound of beef under ranch conditions in Alberta is very close to six cents, he said. Our cattlemen are still selling their products at a terrible loss, he added.

U. K. Quota Insufficient

Mr. Byers stated that there is every possibility of the quota established by Great Britain on Canadian cattle for the first six months of the year being filled long before that period has expired. A drop of around a cent a pound will be evident in Canada when this happens, he thought. Up until March 8, 8,947 head of the 20,200 allotted for the first six months has been shipped and several hundred head have left Western Canada since that date. He felt that in view of the wide market for bacon which had been obtained in the British market, the cattlemen's request for unrestricted export to Great Britain was not unreasonable.

Witness stated that one-half of one per cent charged by stockyards for condemnation insurance was not based on any scientific reasoning. He stated that no one knew whether this amount was sufficient or too much.

Objects to Selling Commission

Witness mentioned that there was a selling commission based on a certain amount per car. His objection to this was that the amount did not vary whether the shipment was worth ten cents a pound or three cents a pound.

Witness stated that some method should be found to work off surplus cattle but he felt that the worst way that this could be done was to send to Great Britain the type of cattle they did not want. He thought that poorer grades could be sold as fox feed and for other such purposes. In this way the surplus would be gotten rid of without too much loss. Lack of proper type of cattle was the chief reason for the losses of trade with Great Britain. Canada was not producing enough of the type of cattle required by British markets, the witness stated.

Retailers Charge Rubber Combine

Rossario Messier, secretary of the Quebec Division, Retail Merchants' Association, and **J. H. Tetrault**, vice-president of the association, appeared together on March 27.

Mr. Tetrault stated that in the rubber industry there was an arrangement among manufacturers so that the prices quoted on different lines of rubber footwear were exactly the same. Quantity discounts were given to large buyers but if a group of retailers got together and were willing to buy in large quantities the discount was not allowed to them, he said.

Mr. Tetrault instanced an advertisement in a Montreal paper offering 400 overcoats, 25 per cent of which were stated to be of a standard brand usually sold around $60. All these coats were stated to be exceptional value at $25. He pointed out that a loss of around $30 a coat was certain on the 100 good coats but the balance were tailored for around $12 a coat and the profits on the 300 balance were more than sufficient to offset the loss on the standard branded coats.

Mr. Messier brought up the question of contract of the manager of the chain store branch, pressing the clauses in the contract which waived all rights of claim against the company and personal responsibility for stock taking, etc. This has already been aired before the committee.

Suggest Retail Changes

Witnesses suggested the following changes might be made to improve the situation as far as independent market was concerned, in competition with chain store and department store organizations:

The setting up of the domestic commerce department to deal with the problems of internal trade.

The regulation of competition by industrial and commercial codes which would prevent such practices as fraudulent bankruptcy, false advertising, loss leaders.

A $5 tax on every mail order catalogue.

A scale tax on chain stores.

Montreal Commission Men

T. J. Ryan, president, and **M. G. Donovan**, a member, of the Montreal Livestock Exchange were the witnesses before the committee on March 28.

Mr. Donovan stated that the effect of having two large livestock markets in Montreal was to make the marketing of livestock in that city more expensive. Both yards had to keep up staffs, etc. Mr. Donovan thought that the charges on the stockyards could be lowered. The manager of the west stockyards had openly stated that he could lower his charges 10 to 15 per cent if all the stock were going through that one market. Witness attacked the system of sending cattle direct to the packing house siding where they were sold without being officially weighed on government tested scales or graded by independent parties. He felt that sometimes lower grades were given on packers sidings than would be given in the open market. He could not, however, give any definite evidence that this actually took place.

Witness stated that he had no knowledge of two individual packing houses making arrangements to buy certain lots of stock in Montreal markets. On the question of gradings witness stated that it had not been the practice in Montreal to settle by fixed differentials on grade, although this was going on in other markets in Canada. The system in Montreal has been to sell at the flat rate plus a dollar for the selects or selling each individual grade as was seen fit to the best buyer in each grade.

La Patrie Opening Toronto Office

Announcement is made of the appointment of Harold E. Stephenson as Ontario Representative for Montreal La Patrie. He will open an office in the Canada Permanent Building, 320 Bay St., Toronto, to serve Ontario Advertisers and Agencies.

Born in Montreal and educated in Montreal, Stanstead and McGill, Mr. Stephenson has had a wide and varied experience in advertising marketing and merchandising. For the past two years he has been operating the Harold E. Edgar Service conducting market research work in Quebec and Ontario. He was previously connected with the Bureau of Advertising, A.N.P.A., New York.

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Earns 11.4 p.c. on Capital—Adds $20,000 to Reserves

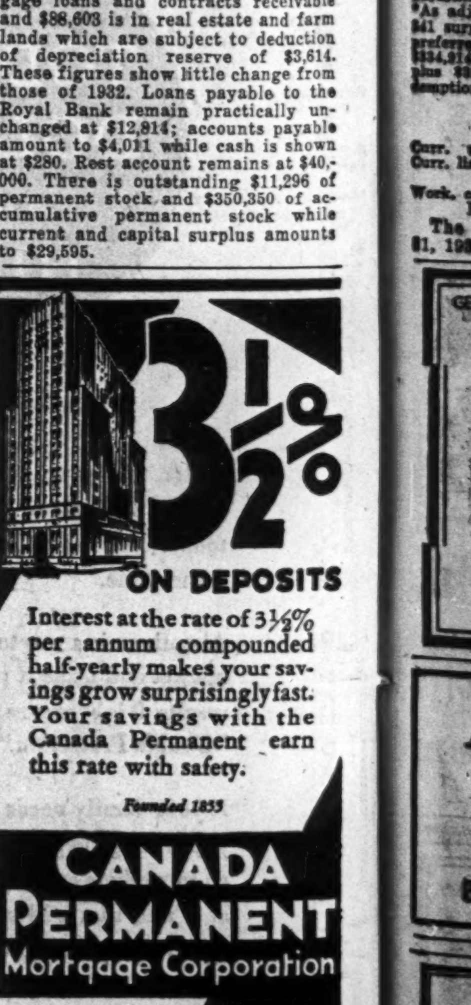
Nova Scotia Trust Co. had net earnings of $70,077 in 1933, the highest in the history of the company. After deducting taxes, depreciation on furniture and equipment, and auditors' and directors' fees the company had net profit of $54,077, equal to 11.4 per cent on paid up capital of $474,700. In 1932 the company earned 9.6 per cent on capital. Dividends at the rate of 7 per cent were paid, as in previous years, and $10,000 was transferred to depreciation reserve and a like amount to reserve fund.

The volume of estates, trusts and agencies under administration was increased to $5,751,447 from $5,351,447 and guaranteed funds at $1,353,292 show decline of only $20,000. Assets held against guaranteed funds include $1,236,846 of first mortgages, $44,649 of government and municipal bonds and $71,797 of cash. In capital account, cash is shown at $42,569; government, municipal and corporation bonds at $420,412 and advances to estates, trusts and agencies, $71,559. Real estate held for sale is shown at $39,360 and agreements of sale at $22,924.

Saskatchewan Loan Had Net Income of $81

Net income of $81 is reported for Saskatchewan Loan & Investment Co. in 1933 as compared with net income of $1,888 in 1932. No interest has been taken into profit and loss account on mortgages or contracts which may have to be foreclosed or where ultimate collection or realization is doubtful.

The company has total assets of $455,886 of which $370,616 is in mortgage loans and contracts receivable and $86,603 is in real estate and farm lands which are subject to deduction of depreciation reserve of $3,614. These figures show little change from those of 1932. Loans payable to the Royal Bank remain practically unchanged at $12,814; accounts payable amount to $4,011 while cash is shown at $280. Rest account remains at $40,000. There is outstanding $11,296 of permanent stock and $350,350 of accumulative permanent stock while current and capital surplus amounts to $29,595.



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FAIRBANKS-MORSE OPERATING LOSSES HIGHER LAST YEAR

Working Capital Position Continued Strong End of 1933

From Our Own Correspondent

MONTREAL.—Canadian Fairbanks-Morse Co.'s financial statement for 1933 reflects the adverse operating conditions prevailing during the greater part of the year, in that the income account shows a loss on operations of $79,414 compared with $46,851 the previous year.

During the last quarter of the year business picked up, while the outlook for the current year is definitely brighter than it was a year ago. A gradual improvement of business is expected by the management, leading to a return of profitable operations before long.

Comparative figures of the income account for the past three years follow:

	1933 $	1932 $	1931 $
Oper. profit	*79,414	*46,851	39,741
Misc. inc.	......	......	39,812
Balance	*79,414	*46,851	79,561
Deprec.	21,446	19,889	156,886
Net prof.	*100,861	*66,740	22,675
Tax prov.	......	......	6,703
Balance	‡100,861	‡66,740	16,601
Pfd. divid.	79,500	87,900	90,000
Balance	‡180,361	‡154,640	‡73,399
Comm. divid.	......	20,000	120,000
Balance	‡180,361	‡174,640	‡193,399
Guar. div.	21,000	18,145	......
Balance	‡201,361	‡192,785	‡193,399
Less res.	......	......	62,500
Balance	‡201,361	‡192,785	‡255,899
Adjust.	§16,216	......	......
Surplus	‡217,577	‡192,785	‡255,899
Prev. bal.	*2,903,864	*3,063,810	2,819,996
P. & L. bal.	2,686,287	2,871,025	2,689,097

*Operating loss, after providing for management and operating expenses, bad debts written off, and taking credit for all miscellaneous income. †Including pension fund provision and bad debts written off. ‡Deficit. ♦Contribution toward preferred dividends of E. & T. Fairbanks & Co., Ltd., under guarantee. °Including reserves for one quarter for dividends on both common and preferred shares. §Made up of $12,891, adjustments affecting prior years, and $3,324 adjustment of reserve for contingencies. As adjusted; in 1933 by addition of $32,- surplus arising through redemption of preferred stock, and in 1932 by addition of $4,914, adjustments affecting prior years, $39,798 surplus arising through redemption of preferred stock.

Working Capital Position

	1933 $	1932 $	1931 $
Curr. assets	2,973,889	3,312,576	3,480,550
Curr. liabs.	149,204	147,189	189,638
Work. cap.	2,824,685	3,165,387	3,290,912

Maintain Liquid Position

The balance sheet as at December 31, 1933, indicates that the company has been able to maintain a strong liquid position, a feature of the financial statement in recent years. Assets are shown on the books at $4,649,673 compared with $4,950,190 at the end of 1932.

Buy in Preferred

During the year the company purchased on the open market a further lot of 1,400 shares of preferred stock at an average price of $76.31. The amount of preferred stock now outstanding amounts to $1,220,000 compared with $1,360,000 in 1932. No change has taken place in the outstanding common stock.

Current liabilities are much the same as a year ago, while reserves show a minor increase at $594,181. Examination of the assets shows that the property account remains practically unchanged at $1,353,604. The same applies to equipment, fixtures, goodwill, etc.

Changes Are Minor

Investment in subsidiary companies has been increased from $180,365 to $207,165. Other investments show an advance of about $18,000 at $787,628.

CAN. INVESTMENT FUND'S HOLDINGS LEAN TO STOCKS

Larger Percentage of Capital in Common Stocks on January 2

From Our Own Correspondent

MONTREAL.—Investment policy of Canadian Investment Fund, a management type of investment trust, has been veering around to a greater concentration of capital in common stocks.

As at January 2, 1934, the company reported the following percentage distribution of its investments: bonds, 7.15 per cent; preferred stocks, 12.35 per cent; and common stocks, 80.50 per cent.

On October 16 last a greater percentage of the company's investments were in bonds and preferred stocks. On that date the distribution was: bonds, 9.42 per cent; preferred stocks, 18.75 per cent; and common stocks, 71.77 per cent.

In comparing the list of securities held by Canadian Investment Fund on October 16, 1933 and January 2, 1934, it is noted that there has been no change in the type of bonds held.

Sell Four Securities

During the period preferred stock holdings in American Can Co., E. I. du Pont de Nemours and Co., and General Motors Corp. were sold, as well as the common stock in American Can.

Two new securities were added to the investment portfolio, both common stocks, namely, Chrysler Corp. and Dominion Glass Co.

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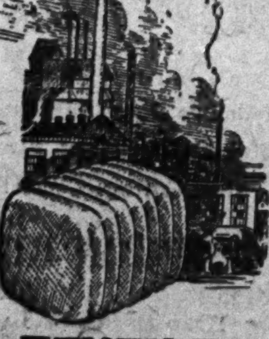

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING APRIL 2

Range 1934 High	Low	Divd. Rate in $	Yield in % Mar. 31		Sales	Close Mar. 26 (or last)	Week Ending —Apr. 2— High	Low	Close
				A					
2.50	.90	*	...	Abitibi	2235	1.70	1.70	1.50	1.60
10	4¼	*	...	Do. pref. 6%	20	6	6½	6¼	6½
6⅝	5⅛	*	...	Do. cert. of dep.	....	6½	..	..	..
x80	80	*	...	Acme F. D'y	....	..	..	..	..
8½	6	20c	...	Agnew Surp.	45	7½	7½	7	7
90	72	7	8.2	Do. pref.	5	90	85	85	85
7	3	*	...	Alta. Pac. Gr.	105	4	4	3¾	3¾
23	16	*	...	Do. pref.	175	22	22	21½	21½
2½	2½	*	...	Amal. Electric	....	2½	..	..	..
12	10	*	...	Do. pref.	....	12	..	..	..
x3¾	3⅛	*	...	Anglo N. Hold.	....	..	..	..	..
$1.00	.15	*	...	Asbestos	....	..	..	..	..
52	1	*	...	Do. pref.	....	..	..	..	..
18	9½	25c	...	Assoc. Brew.	160	11	11	10	10
91	85	7	7.8	Do. pref.	....	90	..	..	..
4½	4½	*	...	Assoc. Can.	....	4½	..	..	..
				B					
145	138	10	7	Bk. Can. Nat.	6	143	143	143	143
203	167	8	4.1	Bk. Montreal	147	197	197	195	195
278	263	12	4.6	Bk. N. Scotia	5	265	263	263	263
205	161½	10	4.9	Bk. Toronto	4	202	203	202	203
16⅝	16½	*	...	Barcelona	....	16½	..	..	..
8⅝	3	*	...	Bathurst Pr.	145	5¾	6	5¾	5¾
8¾	1½	*	...	Do. (B)	218	3	3¼	3	3¼
1¾	1¼	*	...	Bawif Grain	....	1¼	..	..	..
12	7	*	...	Do. pref.	....	10¾	..	..	..
4	3½	*	...	Beath & Sons	....	3¾	..	..	..
10	6¼	*	...	Beatty Bros. A	....	8	..	..	..
82	69	6	7.3	Do. pref.	....	82	..	..	..
9¾	3¼	*	...	Beauharnois	1502	8	7¾	7½	7¾
80	65	4	5	Belding Cort.	....	80	..	..	..
97	97	7	7.2	Do. pref.	....	97	..	..	..
120	110	6	5.1	Bell Telephone	279	117	117½	116	117
12	7¾	50c	5	Biltmore Hats	....	10	..	..	..
92	85	7	7.6	Do. pref.	15	85	92	92	92
3	2	*	...	Bissell, T. E.	....	2½	..	..	..
29	28	*	...	Do. pref.	....	28	..	..	..
5	4	*	...	Blue Ribbon	40	4¼	4¼	4¼	4¼
32	23	2	6.4	Do. pref.	10	31	31	31	31
25	22	2	8	Brant. Cord. p	70	25	25	25	25
14⅝	10⅞	*	...	Brazilian Tr.	10728	11⅛	11⅛	10⅞	10⅞
2.95	2.25	10c	...	Brew. & Distil.	7350	2.35	2.35	2.25	2.25
10⅝	5¼	*	...	Brewing Corp.	8027	8¾	9	7¾	9
25⅛	15⅛	*	...	Do. pref.	1867	21½	22½	20⅝	22½
10	10	10c	...	Bright, T. G. c	....	10	..	..	..
15¼	12½	80c	5.3	Brit. Amer. Oil	2630	15	15	14⅞	15
8⅞	2½	*	...	B. C. Packers	680	3	3	2½	2½
18	10	*	...	Do. pref.	60	11	11	11	11
82½	22½	1.50	5.3	B. C. Power A	520	29½	29½	28½	28½
8⅞	4½	*	...	Do. (B)	123	7	6⅞	6⅛	6½
22	16	1	5	Bruck S. Mills	1220	19½	20	18½	20
23½	16½	1	4.6	Building Prod.	30	21	21½	21½	21½
33	27	2	6.4	Burt, F. N.	70	31½	31½	31	31
				H					
13½	9	50c	4.1	Hunts (A)	5	12	12½	12½	12½
13	10	50c	3.8	Do. (B)	....	13	..	..	..
95	70	6	6.4	Huron & E. M.	5	95	94	94	94
15	14	*	...	Do. 20% pd.	....	15	..	..	..
8	5½	*	...	Hydro Electric	....	7½	..	..	..
				I					
180	141	10	5.6	Imperial Bank	90	178½	180	175	175
14½	12½	50c	3.5	Imperial Oil	10654	13⅞	14½	13⅞	14¼
14	10½	52½c	4.5	Imperial Tob.	376	11⅞	11⅞	11⅝	11⅞
15	14	*	...	Inter. City Bak	....	14	..	..	..
[illegible]	5¼	1	...	Inter'e Coal	....	5¼	..	..	..
9¾	4¾	*	...	Int. Hyd. E. A.	1513	7⅛	7¼	6⅞	7¼
108	99	7	6.6	Inter. Mill. pf.	1	106⅞	106⅞	106⅞	106⅞
84	84	6	7.2	Do. Series A	....	84	..	..	..
28.25	21.15	10c	...	Inter. Nickel	41836	27.40	28.25	26.40	27.55
5	3	*	...	Inter. Paints	35	4	4¼	4	4
b6	4	*	...	Int. P. & Pr. A	101	4⅝	4¾	4⅜	4⅝
b8½	1½	*	...	Do. (B)	....	2¼	..	..	..
b2½	1	*	...	Do. (C)	201	1¼	1¼	1¼	1¼
b18½	10½	*	...	Do. pref.	2601	14⅝	14⅝	13⅞	14¼
23¾	19½	1	4.2	Inter. Pete.	11550	22¾	23⅜	22⅜	23⅜
3	2	*	...	Inter. Power	....	2	..	..	..
19¼	14	*	...	Do. pref.	....	17½	..	..	..
6⅞	3	*	...	Int. Util. (A)	....	5	..	..	..
1.50	.80	*	...	Do. (B)	1690	1.00	1.00	.95	1.00
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
98	97	7	7.2	Do. pref.	5	98	98	98	98
				K					
5¾	4¼	*	...	Kelvinator	....	5½	..	..	..
82	80	7	8.5	Do. pref.	....	82	..	..	..
				L					
15	12	*	...	Lake of Woods	85	12	12	12	12
76	56	*	...	Do. pref.	40	73	71	71	71
80	75	6	8	Landed Bank	....	75	..	..	..
3½	1	*	...	Langley's	....	3	..	..	..
50	25	*	...	Do. pref.	29	40	50	48	50
55	47½	3	5.7	Laura Secord	20	53	53	53	53
8¼	8	*	...	Lindsay, C. W.	....	[illegible]	..	..	..
36	35	*	...	Do. pref.	20	35	35	35	35
15½	14½	80c	5.2	Loblaw (A)	4110	15	15¼	15	15¼
15½	13¼	80c	5.4	Do. (B)	355	14½	14½	14½	14½

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto.
April 3, 1934

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	2.20	2.60
Acadia Sugar pfd.	4.20	4.55
Allens London pfd. bonus c.	37.50	....
Allens St. Cath. bonus c.	37.00	....
Allens Toronto pfd. bonus c.	21.50	....
Andian National	28.00	29.50
Atlan. Sugar pfd.	80.00	85.00
B. C. P. & P. pfd.	....	9.60
Burns pfd. bon. c.	5.25	6.50
Can. Dom. Sugar	43.25	45.00
Can. Machinery c.	1.70	2.50
Can. Mach. pfd.	12.25	18.00
Canada Packers c.	42.00	45.00
Can. Packers pf.	100.00	101.75
Canada Starch c.	3.25	....
Can. Starch pfd.	73.25	....
Can. W. & Cable pfd. WW	80.50	83.00
Can. Indust. A	151.00	....
Can. Indust. B	148.50	152.50
Can. Indust. pfd.	138.00	141.00
Can. Westing'se.	47.00	48.50
Chase, pfd. bon. c.	19.00	22.50
Claude Neon Gen. Adv. Units	4.00	6.00
Comm. Fin. pfd. bonus c.	9.75	....
Copeland Fl. Units	4.00	6.50
Dom. F. & Steel c.	3.25	9.50
Dom. F. & Steel p.	60.00	....
Dom. Manufac. pf.	56.00	....
Dom. Woollens c.	2.00	3.00
Dunlop Tire pfd.	68.50	....
East. Dairies pfd.	12.00	15.00
Easy Wash. pfd. (Old)	18.50	....
Federal Grain pf.	19.25	....
For. Power Sec. pf.	9.00	12.00
Gen. Steel pfd.	27.00	28.50
Goderich Elev. & Transit	7.00	8.15
Green. Wire pfd.	46.00	....
Guelph Carpet pf.	30.00	32.00
Guelph Carpet c.	10.50	13.00
Harding Carpets Units	16.50	20.00
Hayes Wheels pfd.	10.25	16.00
Highland Dairy pf.	65.00	70.00
Inter City Bak. c.	13.50	15.50
Inter. Paints pfd.	13.00	15.50
Inter. Propriet. A	35.00	36.50
Langley's pfd.	44.50	....
Loew's Lond. pfd.	3.00	4.00
Loew's Toronto pf.	61.50	65.00
Mansfield Thea. p.	35.00	....
Massey-Harris pfd.	23.00	24.50
Nat. Grocers c.	4.75	5.25
Nat. Grocers pfd.	102.75	....
New Meth. Laund. pfd.	35.50	....
Para. Kitchener p.	37.00	....
Para. Oshawa pfd.	41.00	....
Prov. Paper pfd.	80.00	82.50
Reliance Grain pf.	60.00	....
Rob. Cons. Conc ex-div.	3.50	9.50
Rolland Paper pfd. WW	77.50	80.50
Ruddy, E. L. pfd.	11.50	....
Serv. Stat. A pfd.	52.00	57.50
Standard Clay c.	....	15.50
Stand. Fuel pfd. bonus	35.00	....
Supersilk pfd. bon.	43.00	....
Supertest Pet. B pfd.	22.75	25.00
Thayers pfd.	25.00	29.00
Traders Fin A pf.	40.50	....
United Corpns. A	10.50	12.00
United Corpns. B	4.00	5.50
West. Grain pfd. bonus	7.00	9.50
Willards Choc. pf.	10.00	....
Wood, Alex. & J. pfd.	19.00	25.00
Zimmerknit pfd.	50.00	....

Insurance Stocks:	Bid	Asked
Brit. Amer. Assce.	23.50	27.00
Canada Life	435.00	....
Can. Fire	55.50	59.00
Comm. Life 20% pd.	9.00	....
Confed. Life 20% pd.	124.00	128.00
Cont. Life 20% pd.	37.00	....
Crown Life Ins.	100.00%	....
Dominion Fire	85.00	....
Dom. Life 50% pd.	165.00	....
Dom. of Can. Gen. Ins.	106.00	111.00
Empire Life 25% pd.	3.50	....
Excel. Life 30% pd.	75.00	79.50
Fed. Fire 25% pd.	35.00	....
Great-West Life	331.00	....
Guar. of N. A. fully paid	200.00	225.00
Guar. of N. A. 20% pd.	40.50	....
Imperial Life	285.50	....
Manufac. Life	225.00	237.00
Monarch Life 10% pd.	17.50	20.00
Nat'l Life 25% pd.	60.50	....
Sov. Life 25% pd.	16.00	20.00
Sun Life	475.00	485.00
Tor. Gen. Insce.	5.25	....
West. Assur. c.	21.50	....
West. Life 20% pd.	9.00	12.00
Trust & Loan Stocks:		
Br. Mtge. & Tr.	135.50	150.00
Chartered Trust	64.00	70.00
Eastern Trust	140.00	....
Lond. & West. Tr.	39.00	44.00
Premier Trust	35.00	....
Sec. Loan & Sav.	101.00	....
Sterling Trust	....	45.00
Trusts & Guar.	39.00	43.00
Vic. Tr. & Sav.	130.50	140.00
Waterloo Tr. & S.	85.50	95.00
Investment Trust Shares:		
Can. Gen. Invest.	5.50	5.85
Can. Int. Inv. Tr. Units	19.00	....
Can. Invest. Fund	3.40	3.60
Can. Investors	6.00	7.00
Cons. Div. Stand. Sec. pfd.	11.00	13.00
Deb. & Sec. pfd.	32.50	....
Dom. & Anglo In. Units	190.50	....
Dom. Scottish Inv. Units	17.50	21.50
Invest. Foundation Units	38.50	....
Sec. Holding Un.	9.50	11.50
Power Issues:		
Calgary Power pf.	84.50	88.00
Can. L. & P. c.	29.00	32.00
Can. W. Nat. Gas L. H. & P. pfd.	86.00	89.00
Gr. Lakes P. pfd.	39.00	....
Marit. T. & T. pfd.	12.15	13.00
N. B. Telephone c.	9.00	10.25
N. S. L. & P. c.	25.50	....
N. S. L. & P. pfd.	78.00	....

Recent London Quotations:	
Brit. Col. Tele., pfd.	$100
Brew. & Distillers	10s.
Can. & For. Secs.	5s. 6d.
Can. Collier, A, inc. stk.	85½
Do., B	5
Can. N. W. Land	$1¼
Can. West. Lumber	1s. 7½d.
Hudson's Bay	26s. 3d.
Do., 5% pref.	97s. 6d.
Internat. Holdings	$2¼
Nfld. Pr. & Pap. deb. stock B 5½%	102
Tor. Sub'an 4½% deb. stk.	20
Trust and Loan	1/16

Dividends Declared

	Present Annual rate	Amt. this payments	Date payable	Date of record
Ajax Oil	8%	2%	Apr. 16	Mar. 31
Alberta Wood Pres., pfd.	7%	1¾%	Apr. 2	Mar. 24
Beatty Bros., pref.	6%	1½%	May 1	Apr. 14
Belding Corticelli, c.	$4	$1	May 1	Apr. 14
B. C. Telephone, 2nd pref.	$6	$1.50	May 1	Apr. 15
Brantford Cordage, 1st pfd.	$2	50c	Apr. 15	Mar. 20
Bell Telephone	6%	1½%	Apr. 16	Mar. 23
Brit. Amer. Assurance, c.	$1.50	75c	Apr. 16	Mar. 24
Bruck Silk Mills	$1	25c	Apr. 16	Mar. 15
Bralorne Mines	...	†12½c	Apr. 16	Mar. 31
B. C. Power A	$1.50	38c	Apr. 16	Mar. 31
Canada Dry	$1	25c	Apr. 16	Apr. 2
Canada Northern Power, c.	$1	25c	Apr. 25	Mar. 31
Do., pref.	7%	1¾%	Apr. 16	Mar. 31
Can. Iron Foundries, pfd.	$3	$1.50	Apr. 30	Apr. 15
Can. Fairbanks, pref.	$6	$1.50	Apr. 16	Mar. 31
Can. Gen. Invest., c.	30c	7½c	Apr. 16	Mar. 31
Do., extra		2½c	Apr. 16	Mar. 31
Can. Industries, pref.	$7	$1.75	Apr. 16	Mar. 31
Do., com. A	$3.50	87½c	Apr. 30	Mar. 31
Do., com. B	$3.50	87½c	Apr. 30	Mar. 31
Crescent Creamery, pfd.	...	$1	Apr. 16	Mar. 31
Canadian Bronze	60c	15c	May 1	Apr. 20
Do., pref.	$7	$1.75	May 1	Apr. 20
Dom. Textile, pref.	$7	$1.75	Apr. 16	Mar. 31
Dominion Bridge	$2	50c	May 15	Apr. 20
Dome Mines	$1	25c	Apr. 20	Mar. 31
Do., extra	..	25c	Apr. 20	Mar. 31
Eastern Can. Savings	$6	$1.50	Apr. 2	Mar. 20
Eastern Trust	$8	$2	Apr. 3	Mar. 20
Great Lakes Power, pfd.	$7	$1.75	Apr. 16	Mar. 31
Guarantee of N. A. C.	$6	$1.50	Apr. 16	Mar. 31
Do., extra	$10	$2.50	Apr. 16	Mar. 31
Hollinger Gold	65c	5c	Apr. 23	Apr. 6
Do., extra	...	5c	Apr. 23	Apr. 6
Humberstone Shoe	$2	50c	May 1	Apr. 14
Imperial Bank	$10	$2.50	May 1	Mar. 31
Inter. Hydro-Elec. pref.	$3.50	87½c	Apr. 16	Mar. 26
Inter. Nickel, pref.	7%	1¾%	May 1	Apr. 3
Invest Foundation, pfd.	$1.50	37c	Apr. 16	Mar. 31
Do., on arrears	—	13c	Apr. 16	Mar. 31
Inter. Utilities, prior pfd.	$3.50	87½c	May 1	Apr. 20
Do., pref. (1931)	$1.75	43¾c	May 1	Apr. 20
McColl-Frontenac, pfd.	$6	$1.50	Apr. 14	Mar. 31
Montreal L. H. & Pr.	$1.50	37c	Apr. 30	Mar. 31
Montreal Trams	$9	$2.25	Apr. 14	Apr. 5
Northern Ontario Power	$2	50c	Apr. 25	Mar. 31
Do., pref.	6%	1½%	Apr. 25	Mar. 31
National Biscuit, c.	$2.80	70c	Apr. 14	Mar. 23
N. B. Telephone, c.	50c	12½c	Apr. 16	Mar. 31
New England Power, c.	$2	50c	Apr. 16	Mar. 31
Nova Scotia Trust	$7	$3.50	Apr. 15	Mar. 31
Penmans	$3	75c	May 15	May 5
Do., pref.	$6	$1.50	May 1	Apr. 21
Premier Gold	12c	3c.	Apr. 16	Mar. 16
Power Corp., pref.	$6	$1.50	Apr. 16	Mar. 31
Do., 2nd pfd.	$3	75c	Apr. 16	Mar. 31
Southern Can. Power, pfd.	6%	1½%	Apr. 16	Mar. 29
Simpson, Robt., pfd.	$6	$3	May 1	Apr. 16
Steel of Canada	$1.20	30c	May 1	Apr. 7
Do., pref.	$1.75	43¾c	May 1	Apr. 7
Southern Can. Power, c.	80c	20c	May 15	Apr. 30
United Securities	$2	50c	Apr. 16	Mar. 27
United Bond & Share, c.	60c	15c	Apr. 16	Mar. 31
United Gold Equities	...	2½c	Apr. 20	Apr. 10
Toronto Elevators, pref.	$7	$1.75	Apr. 16	Mar. 31
Tuckett Tobacco, pref.	7%	1¾%	Apr. 14	Mar. 31
Western Grocers, pref.	$7	$1.75	Apr. 15	Mar. 20

†Initial.

Dividend Rate Reduced—
Eastern Can. Savings & Loan, Apr. 2. $8 to $6 per annum.

Dividends Resumed—
Great Lakes Power, pref. $1.75 Apr. 16. Last payment $1.75 Mar. 15, 1933.

Winnipeg Stock Exchange

(Transactions for week to March 28)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Mar. 28
..	..	El Bonanza	500	.26	.26	.26
..	..	Forty-Four	76	6.10	6.10	6.10
..	..	Gabrielle	2,600	.52	.51½	.51½
..	..	Island Lake	2,200	.10	.09	.09
..	..	Manitoba & Eastern	3,600	.22	.21½	.21½
1	5.3	Monarch Life	75	18¾	18¾	18¾
..	..	Pelissiers	10	.40	.40	.40
..	..	Do., pref.	5	25	25	25
..	..	Smelters Gold	600	.36½	.36	.36
..	..	Toburn	20	1.38	1.38	1.38

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	Traders Bldg. Assn.	65	..
Beaver Lumber, pref.	..	63	Sovereign Life	15½	..
Do., com.	..	3½	Can. Amer. Tr. shs.	2⅞	3¼
Can. Fire Insur.	55	..	Can. Inv. Fund	..	3.55
Crescent Cream. pf.	22	30	Fundamental Ser. A	..	4⅝
Gt.-West Life	320	..	Fundamental Ser. B	..	3⅞
Home Investment	20	..	Grouped Inc. Shs.	..	4.50
Northern Trust	10	..			

*Stocks more active on other exchanges not included.

Listed Bond Quotations

Week Ending April 2, 1934

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1934 High	Low
Mtl. L.H.&Pr. debs.	3	1939	3.98	46½	46½	...	46½	43½
Unlisted								
Beauharnois	5	1973	§ ..		54	...	54	...

§Payable in Canada and New York.

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto.
April 3, 1934

Industrial Bonds—		Bid April 3	Asked April 3	Bid Mar. 27
Abitibi P. & P. 5% 1953	F	39.00	41.00	39.50
Abitibi P. & P. C.O.D.	F	36.50	37.50	37.00
Acadia Sugar 6% 1946		99.00	100.50	99.00
Alta. Pacific Grain 6% 1946		77.00	79.50	77.50
American Sales Book 6% 1939		100.25	....	100.00
Asbestos Corp. 6% 1941	F	59.00	....	75.00
B. A. Oil 5% 1945		101.50	103.00	101.00
B. C. Pulp 6% 1950		63.50	65.00	64.00
B. C. Pulp 7% 1950	F	20.00	....	25.00
Burns 5½% 1948	F	35.50	38.00	34.50
Can. Biscuit 6½% 1946 WS	F	36.50	....	33.00
Can. Bread 6% 1941		35.50	38.00	36.00
Can. Cement 5½% 1947		39.25	40.50	37.50
Can. Steamship 6% 1941	F	24.75	26.75	26.50
Can. Canners 6% 1950		100.50	101.50	100.50
Can. Copper Refin. 6% 1945		106.50	....	107.00
Can. Cottons 5% 1940		98.00	....	98.00
Can. Goodrich Income 7/48	F	35.25	....	36.25
Can. Rail & Harbor 6½/51	F	27.00	29.00	23.00
Can. Vickers 6% 1947		57.00	60.00	59.50
Cons. Invest. 4½% 1959	F	70.00	....	71.00
Debenture & Sec. 4% 1956		73.00	....	73.00
Dom. Tar & Chemical 6% 1948		87.00	89.00	87.00
Dom. Telegraph 5½% 1978 A		92.50	96.00	92.50
Dom. Textile 6% 1949		106.50	109.00	106.50
Dom. Woollens 6% 1948	F	36.00	41.00	36.50
Donnacona Paper 5½% 1948	F	46.50	49.00	47.00
Eastern Dairies 6% 1949		65.00	67.50	65.00
Famous Players 6% 1949		90.00	93.00	91.00
Federal Grain 6% 1949		75.00	79.00	75.00
Firestone Tire 7% 1937		100.00	....	100.00
Fraser Co. 6% 1950	F	43.00	44.00	42.50
Galt Brass 7½% 1941	F	25.00	....	25.00
Gen. Steel Wares 6% 1952		75.50	78.00	76.50
Goodyear Cotton 6% 1949		103.25	104.25	103.25
Great Lakes 6% 1950	F	40.25	41.00	40.25
Gypsum, Lime & Alab. 5½% 1948		75.00	78.00	76.00
Hamilton By-Prod. 7% 1943		100.00	102.00	99.00
Harris Abattoir 6% 1947		102.50	....	102.50
Howard Smith 5½% 1953		92.00	94.50	91.50
Lake St. John 6½% 1947	F	32.00	34.00	31.25
Lake St. John 6½% 1942	F	25.00	26.50	22.50
Loew's Toronto 6% Serial		98.50	100.00	98.50
Maple Leaf Milling 5½% 1949		34.50	36.50	35.00
Massey-Harris 5% 1947		73.50	75.00	74.00
McColl-Frontenac 6% 1949		99.50	101.50	99.00
McKinnon Industries 6½% 1948		98.50	....	98.50
Mercury Mills 5½% 1953		65.00	....	65.00
Minn. & Ont. 6% Serial	F	19.50	21.00	20.50
Price Bros. 6% 1943	F	94.00	97.00	98.50
Provincial Paper 5½% 1947		94.00	98.00	94.00
Restigouche 6% 1948	F	67.00	70.00	67.00
Simpsons Ltd. 6% 1949		96.75	98.50	96.75
Steel of Canada 6% 1940		106.50	....	106.50
Stop & Shop 6% 1947		30.00	....	30.00
Toronto Carpet 6% 1944		97.00	....	97.00
United Corpns. 5% 1953	F	76.00	79.00	76.00
United Gas & Fuel 5½% 1948		88.00	92.00	88.00
United Grain Growers 5% 1948		81.00	83.00	82.00
United Grain Growers 5½% 1949		84.00	....	85.00
Wabasso Cotton 7% 1942		87.00	....	87.00
Public Utility Bonds—				
Bell Telephone 5% 1955		107.00	108.00	106.00
Beauharnois Pwr. 5% 1973	F	49.25	50.50	51.00
B. C. Power 5½% 1960		99.50	101.00	101.00
B. C. Telephone 5% 1960		99.00	100.50	99.00
Calgary Power 5% 1960		93.25	94.75	93.50
Can. Northern Pwr. 5% 1953		92.50	94.00	93.25
Dom. Gas & Elect. 6½% 1945		60.00	63.00	59.00
Duke-Price Pwr. 6% 1966		92.25	93.50	93.00
French Natl. Mail SS 6/52		140.00	....	140.00
Gatineau Pwr. 6% 1941 A		87.50	89.00	87.50
Gatineau Pwr. 5% 1956		89.25	90.75	90.00
Maclaren Quebec 5½% 1961		93.50	95.00	94.50
Manitoba Power 5½% 1951		46.50	48.00	47.00
Montreal LH&P 5% 1951		107.75	108.75	107.00
Montreal Tram. 5% 1941 July		99.75	101.00	99.00
Northwest. Utilities 7/38		96.00	98.50	97.00
Ottawa Valley Pwr. 5½% 1970		103.25	104.50	103.50
Quebec Power 5% 1968		97.50	99.00	98.00
Rio Tramways 5% 1935		104.00	....	103.00
Shawinigan W. & P. 5% 1970		95.50	97.25	95.00
Shawinigan W. & P. 6% 1937		101.00	102.00	101.00
Southern Can. Pwr. 5% 1955		100.25	102.00	100.25
West Kootenay Pwr. 5% 1956		102.25	103.50	102.00
Realty Bonds—				
Albert Bay 6½% 1942		60.00	....	60.00
Balfour Bldg. 6% 1943		42.00	47.00	42.00
Bloor St. George 7% 1936	F	37.00	....	37.00
Clarendon Apts. 7% 1946	F	28.00	....	27.50
Clarendon Properties 7/44	F	25.00	....	25.00
Dominion Square 6% 1948	F	52.50	55.50	55.00
Eaton Realty 5% 1949		94.50	95.50	95.00
Godfrey Realty 5% 1949	F	35.00	37.00	35.50
General Brock Hotel 6/48	F	28.00	....	30.00
London Realty 6½% 1950	F	64.00	66.00	65.00
Lord Nelson Hotel 4% 1947		56.00	58.00	56.00
Mayor Bldg. 6½% 1942	F	40.00	....	40.00
Metropolitan Bldg. 7% 1944		95.00	....	95.00
National Realty 7% 1945	F	27.50	30.00	27.50
Northern Ont. Bldg. 6½% 1939		38.00	....	35.00
Ontario Bldg. 3½% 1948	F	40.00	42.00	40.00
Richmond Bay 6½% 1947		76.00	....	75.50
York Bldg. 6% 1943		72.00	....	71.00
Government, Provincial & Railway—				
C. N. R. 4½% 1957 Dom. Gtd.		104.25	104.75	104.00
C. N. R. 5% 1969 Dom. Gtd.		109.50	110.50	109.75
C. P. R. 4½% 1944		89.00	90.25	89.50
C. P. R. 6% 1942		115.00	116.50	112.00
Dom. of Can. 5% 1936		104.50	105.00	104.50
Dom. of Can. 5% 1941		107.25	108.00	107.00
G. T. P. 3% 1962 Dom. Gtd.		89.75	90.75	90.00
G. T. P. 4% 1962 Dom. Gtd.		100.00	101.00	99.25
Ont. Hydro 3½% 1952 Ont. Gtd.		96.00	97.00	96.50
Ont. Hydro 4% 1957 Ont. Gtd.		98.25	99.25	98.00
Prov. of N. B. 5½% 1950		107.25	108.50	107.50
Prov. of Ont. 5½% 1946		110.25	111.00	110.25
Prov. of Ont. 4½% 1944		104.50	105.50	104.00
Prov. of Ont. 5% 1948		107.25	108.25	107.25

F—Traded without accrued interest.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.
April 3, 1934

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	91.50	5.11
Alberta	5	1 July, 1943	1 July	96.50	5.48
Alberta	6	1 Mar., 1947	1 Sept.	102.50	5.72
*British Columbia	4½	1 Oct., 1953	1 Oct.	88.00	5.51
*British Columbia	5	15 Jan., 1948	15 July	92.50	5.79
British Columbia	6	15 Feb., 1947	15 Aug.	99.50	6.05
Manitoba	4	1 July, 1947	1 July	86.00	5.42
*Manitoba	5	2 Dec., 1959	2 June	96.50	5.25
Manitoba	6	1 Apr., 1947	1 Oct.	101.50	5.83
*New Brunswick	4	1 June, 1948	1 June	94.00	4.57
*New Brunswick	4½	15 June, 1936	15 June	101.50	4.04
New Brunswick	5½	15 May, 1950	15 May	108.50	4.75
*Nova Scotia	4½	15 Nov., 1948	15 May	102.00	4.22
Nova Scotia	5	1 May, 1943	1 May	106.00	4.29
*Ontario	4½	1 Sept., 1944	1 Sept.	103.50	4.35
Ontario	5	15 Oct., 1948	15 Apr.	107.50	4.39
Ontario	5½	1 Feb., 1947	1 Aug.	111.00	4.40
P. E. I.	4	1 Apr., 1939	1 Oct.	99.00	4.22
P. E. I.	6	1 May, 1947	1 May	113.50	4.44
*Quebec	4½	1 May, 1961	1 May	104.00	4.01
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	87.50	5.60
*Saskatchewan	5	1 Nov., 1959	1 May	92.50	5.55
Saskatchewan	6	15 Mar., 1952	15 Sept.	100.00	6.00
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	101.50	4.90
*Toronto	4½	1 Jan., 1955	1 July	102.50	4.32
*Vancouver	5	15 Jan., 1970	15 July	91.00	5.58
Winnipeg	5	1 Mar., 1944	1 Sept.	96.10	5.50
*Edmonton	5½	1 Apr., 1947	1 Oct.	93.39	6.25
Calgary	5	1 Jan., 1948	1 July	92.00	6.17
Halifax	6	1 July, 1951	1 July	114.00	4.90
Saint John	5	15 Dec., 1950	15 June	103.00	4.74
Regina	4½	1 July, 1950	1 July	82.00	6.27
Victoria	5	21 July, 1948	21 July	95.00	5.60
Quebec	5	1 June, 1948	1 June	103.50	4.67

*Payable in New York.

Dominion of Canada Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.
April 3, 1934

	Rate	Maturity	Asked	Approx. Yield
*†Dominion	5	1 Mar., 1937	107.25	2.48
†Dominion	5½	1 Dec., 1937	109.50	2.72
Dominion	5½	1 Nov., 1934	101.50	2.90
Dominion	3½	15 Oct., 1935	101.25	2.66
Dominion	4	15 Oct., 1935	102.00	2.64
Dominion	5	15 Nov., 1936	106.00	3.08
Dominion	4	15 Oct., 1939	102.25	3.55
Dominion	4½	1 Sept., 1940	104.75	3.66
Dominion	5	15 Nov., 1941	107.75	3.82
Dominion	4½	15 Oct., 1943	103.00	3.98
Dominion	4	15 Oct., 1944	104.50	3.93
Dominion	4½	15 Oct., 1943-48	101.00	3.97
Dominion	4	1 Feb., 1946	104.50	4.08
Dominion	4½	15 Oct., 1947-52	101.00	3.90
Dominion	4½	1 Nov., 1946-56	104.00	4.10
Dominion	4½	1 Nov., 1947-57	104.00	4.11
Dominion	4½	1 Nov., 1949-53	104.25	4.11
Dominion	4½	1 Nov., 1949-59 with talons	104.75	4.14

Dominion Guaranteed Bonds

	Rate	Maturity	Asked	Approx. Yield
xCan. Nat. Ry.	4½	1 Sept., 1951	107.50	3.90
*Can. Nat. Ry.	4½	1 July, 1957	105.25	4.15
Can. Nat. Ry.	5	1 Feb., 1954	108.75	4.34
xCan. Nat. Ry.	4¾	15 June, 1955	108.75	4.18
xCan. Nat. Ry.	4½	1 Feb., 1956	107.50	3.93
xCan. Nat. Ry.	4½	1 Dec., 1968	105.25	4.20
xCan. Nat. Ry.	5	1 Oct., 1969	111.00	4.24

†Tax Exempt Issues. *Payable in Canada and New York. xPayable in Canada, New York, and London.

Canadian Mining Share Quotations, Page 19

News of Canadian Mining Investments

The Week in Mining

CENTRING largely in the gold stocks, activity in the turnover of mining shares on the Toronto Stock Exchange made an all-time record in March. The activity was so intense that one week's trading equalled the monthly average for 1933, and was even greater than the total for the whole of 1931. Aggregate sales amounted to 66,160,099 shares, which was nearly double the total for February. Aggregate value of shares traded was almost $41,000,000. Base metals and silvers were not nearly as prominent in this boom as were the golds.

This unprecedented stir in mining stocks cannot be entirely traced to the present premium on gold. The speculative element is not entirely absent. Rumors of higher prices in store for gold doubtlessly are responsible for a major part of the buying which has featured the March exchange. Investors are gambling on a still higher premium for gold.

To illustrate the amazing increase in sales, comparative figures are given as follows:

Sales	1934	1933
March	66,160,099	11,021,740
Feb.	36,926,133	20,157,268
Jan.	29,114,192	18,777,251
	132,200,424	49,956,259
Values		
March	$40,821,040	$ 9,596,683
Feb.	22,432,772	21,757,062
Jan.	18,100,306	10,142,654
	$81,354,118	$41,496,399

* * *

INTERESTING things are going on in the British Columbia Legislature, where Premier T. D. Pattullo is seeking, temporarily, under a Special Powers Act, to clothe the cabinet with all the authority of the legislature. Last week he cleverly used mining, one of the bright spots in B. C.'s industrial life at the moment, as an argument in favor of his act. He got his chance when a Liberal M. P. complained of serious delays in examination of properties by resident engineers.

If the Government were given the special powers sought, countered the premier, they would go the limit in aiding the miner and the mining industry.

* * *

Kirkland Lake's New Paper

EVIDENCE of the thriving condition of Kirkland Lake mining district is seen in the fact that another weekly newspaper, Kirkland Lake Star, has been started there, and is already several weeks old. The editor, G. B. Curran, is a cousin of "Jim" Curran, nationally known editor of the Soo Star. The Kirkland Lake Star is at present being published in four pages.

HOLLINGER PLANS NEW DEVELOPMENT REPORT DECLARES

Policy Not to Change Dividend But to Pay Bonuses, Says Timmins

As a result of the present world price for gold it has been the policy of the Hollinger Consolidated Gold Mines to treat profitably lower grade ore than heretofore, shareholders were told at the annual meeting held in Montreal on Mar. 9.

Owing to the unsettled factors as to the price of gold and the mining of marginal ore, the earnings of the company are expected to be more or less variable, Jules R. Timmins, vice-pres., told shareholders. It is not the intention to change the present dividend rate, but rather to pay bonuses from time to time as earnings warrant and as it is felt that the present surplus of the company is sufficient to meet any contingency.

The developments at the mine continue to be satisfactory, particularly on the lower levels, and it is proposed to prospect the areas immediately west of the present ore zone, also the area to the north of this zone, shareholders were told. To this end crosscuts have been started on the 3,350 ft. level and on the 3,950 ft. level, which crosscuts will open up the area that has not yet been explored below the 2,700 ft. level. Recent developments, according to Mr. Timmins, would seem to indicate the possibility of finding considerable ore in these areas, but will require a lengthy and systematic programme of development work which will not be completed during the current year.

Handle Greater Tonnage

In order to compensate for the decrease in the grade of ore that the present price of gold makes it desirable to mine, a somewhat greater tonnage will be handled. This tonnage will be guided solely by the sound and economic mining principles. A feature announced at the meeting was the completion of arrangements by the management for non-contributory group insurance for the employees with a provision for additional insurance which is optional on their part.

Treating with the balance sheet, Mr. Timmins referred to the company's subsidiary, the International Bond & Share Corp. He reported that the net increase in the assets was approximately 24½ per cent and that as at the middle of March they had a market value of $4,065,000, or an increase of 20.6 per cent, since the beginning of 1934.

Originally 633,900 shares were purchased at an average price of 44 cents per share, but owing to the great market appreciation, Hollinger officials thought it advisable to secure a return of the investment and accordingly sold 150,000 shares, resulting in the present holdings being reduced to 483,900.

The existing board of directors was re-elected for the ensuing year, including the following: W. A. Timmins, Allan A. McMartin, Dr. W. L. McDougald, Jules R. Timmins, Leo H. Timmins and John I. Rankin, of Montreal; John B. Holden, Wilson Bell and James Y. Murdock, K.C., of Toronto.

Noranda Mines Show Best Year in History Earning $2.15 a Share

Annual Report Reveals Increased Tonnage Treated and Ore Reserves — Strong Liquid Position, Current Assets $11,373,558

High points of the 11th annual report of Noranda Mines covering its sixth year of production in Northwestern Quebec, are the greatest income from production, the greatest tonnage treated, lowest operating cost, highest ore reserves and the highest net profits per share. Net profits after all reserves were $4,816,106 or $2.15 per share on the 2,239,772 common no par value shares outstanding as against dividend requirements of $1.50 per share.

The following tabulation gives comparative income and surplus account figures for the past two years:

Income & Surplus Account
Years Ended Dec. 31

	1933 $	1932 $
Metal recoveries	12,588,374	11,752,629
Less: Oper. exp.:		
Cost of met. prod.	6,049,129	5,876,700
Admin. & gen. exp.	220,173	273,304
Res. for taxes	705,749	617,012
Res. for conting.	......	175,000
Interest on bonds	......	......
Net earn. from oper.	5,613,323	4,810,613
Add: Other income	323,725	5,168,086
Total income	5,937,048	5,168,086
Less: Prel. dev. written off	......	......
Reserve for deprec.	1,045,824	1,507,065
Organ. & misc. exp.	......	......
Exploration writ. off	75,118	60,212
Net profit	4,816,106	3,600,809
Less: Dividends	*3,457,314	*2,844,914
Surplus for year	1,358,792	755,895
Add: Previous surplus	5,868,782	5,112,887
Less: Add. income tax for 1930	......	......
Bal. carried forward	7,227,574	5,868,782

*Includes premium on U. S. funds.

Earnings per Share & Div. Record:

Earned	$2.15	$1.61
Paid	▲1.50	*1.10

* Paid in U. S. currency.
▲ $0.50 in U. S. funds; $1.00 Can. funds.

James Y. Murdoch, pres. of the company, calls attention to the fact that notwithstanding ore shipments being increased 26½% over those of the previous year, the ore reserves show a very material increase. The new 1,000 ton daily capacity concentrator extension for treating the lower grade ore will go into operation this month, bringing the capacity of the concentrator to 3,000 tons daily. Another plant extension is at the company's subsidiary refining operation, the Canadian Copper Refiners at Montreal East, where provision is being made for the production of selenium and tellurium, both by-products of the copper refining operations.

The following tabulation gives comparative production figures for the past two years:

Production Summary
Years Ended Dec. 31

	Tons of ore	Lbs. Copper	Oz. Gold	Oz. Sil.
1927	10,740	552,345	767	2,644
1928	271,926	33,065,261	52,949	186,277
1929	428,221	51,223,115	68,732	334,279
1930	734,072	75,509,373	117,393	691,920
1931	765,544	62,859,355	253,363	558,801
1932	918,567	63,013,485	341,350	619,597
1933	1,010,629	65,008,731	284,675	510,739

Development during the year included the sinking of the No. 4 shaft from the 2,560 ft. horizon to the 3,048 ft. level, together with cutting stations at 2,600, 2,725, 2,850 and 2,975 ft. levels. Early in the year diamond drilling in the lower ore body from the 2,475 ft. level, the deepest level on which lateral work has been done in ore, indicated that the massive sulphide ore in this lens terminates at an average of about 200 ft. below the 2,475 ft. level; but the ore along the south side of this body is good grade copper ore; and that the grade of this direct smelting ore and the concentrating ore, which makes up the rest of the sulphide body below the 2,475 ft. level, appears to be somewhat higher than the average for the same classes of ore in the present reserve.

Although the massive sulphide ore in this lens apparently ends 200 ft. below the 2,475 ft. level, good fluxing ore was found in the underlying rhyolite for an average depth of 500 ft. below this level.

In the Chadbourne section a 6,150 ft. drift from the No. 4 shaft last November encountered 120 ft. of well mineralized berectia having an average gold content of .015 oz. Some years ago surface exploration and diamond drilling delimited an ore zone 130 ft. wide and 250 ft. long showing an average of about $3 in gold to a depth of 750 ft. Diamond drilling from the crosscut on the 975 ft. level indicates that the body of berectia is quite extensive with the better mineralized portion of it at this horizon considerably smaller and containing about .05 oz. of gold or lower than the surface outcrop.

Exploration work in 1933 above the 2,475 ft. horizon gives the following tonnages of ore of the respective classes:

Ore Reserves (1933)
Estimated Gold Indicated and Developed

Tons	$ per ton	Copper per cent
5,875,000‡	2.97	7.34
16,580,000§	4.07	1.12
890,000**	2.69	0.15

§ Concentrating ore. **Fluxing ore.
‡ Direct smelting ore.

During the year 62 outside properties were examined, three of which were taken under option and one retained — the Coffin-Gilligan group of claims in the Chibougamau area which are now being prospected by diamond drilling This property is approximately 135 miles north of Ofkelaneo, Quebec, on the transcontinental line of the Canadian National Railway.

The balance sheet of the company as at December 31, 1933, reflected the strongest liquid position in the company's history with current assets of $11,373,558 as against current liabilities of $3,274,693.

The following tabluation gives comparative working capital figures for the past two years:

Working Capital

	1933 $	1932 $
Current assets	11,373,558	7,782,607
Current liabilities	3,274,623	1,220,789
Working capital	8,098,935	6,561,818
Ratio	3.47—1	6.38—1

The annual meeting is called for April 26 in Toronto.

GOLD PROPERTIES OF NOVA SCOTIA DRAW ATTENTION

Government Interest in Possibilities Now More Active

From Our Own Correspondent

MONTREAL.— For many years active gold mining was carried out in Nova Scotia, but for a variety of reasons the industry was allowed to die out. Foremost among the reasons for this neglect was the difficulty in obtaining sound financing for extensive commercial operations and, secondly, the methods employed in days gone by in recovering the precious metal were decidedly inefficient as compared to modern milling operations. In the past the successful mining companies in Ontario and other parts of Canada with capital to put into new developments retained their own conception of what was needed to make a profitable mine. In the first place they required a milling schedule of several hundred tons daily, with a large proved ore body and geological conditions indicating extensions of the ore to great depth, their conception being based on ore of the character and grade normally found in Ontario, whereas Nova Scotia ore should be considered in a different light.

Nova Scotia Gold Deposition

Briefly, the Nova Scotia ore deposits comprise closely lying narrow veins carrying numerous scattered high grade ore shoots. Where these shoots outcrop they have been discovered by surface prospecting and mined successfully—the grade in many cases being very rich. Ore deposits at depth have to be developed by costly underground development and this was not allowed for by the various small operators and was beyond the means of many of the small virtually inexperienced companies engaged in mining, with the result that the properties in Nova Scotia did not have a chance of showing their real value.

The geology of the Nova Scotia gold deposits is comparatively simple, the features and structure at depth being the same as on the surface. The same amount of gold is recoverable from the second 500 feet as from the first 500 feet in depth and in place of large stopes of low grade ore there would be numerous small stopes of high grade ore. A mine handling 100 tons daily of this high grade ore would constitute a big producer as far as gross annual recovery is concerned and using modern methods of milling. Production figures would show an immense improvement on the recovery made in former years. With gold at $35 an ounce the possibilities of profitable production at many of the Nova Scotia properties are far too important to be neglected.

Aid For Gold Mines

The Government of Nova Scotia is now fully alive to the possibilities of the province becoming an active contributor to the world's gold supplies. The Hon. Michael Dwyer, Minister of Mines and Labor, has publicly expressed his belief that Nova Scotia is on the eve of a real gold boom. He stated that "if every location now under investigation comes into production, even only on a paying basis, the unemployment problem of Nova Scotia will be solved." With this end in view, the Government is preparing to give every aid and assistance to those companies which are ready to undertake serious mining development. Within the last few months hundreds of men have been put to work on gold properties, under an organized Government campaign to reopen old properties—dewater old workings — sink new shafts and generally explore and develop every possible source of gold in the province.

PLAN FREE TEST ON NORDON LAND PRESIDENT SAYS

Company Obliged to Sell Portion of Assets to Meet Expenses

In a statement to shareholders, Glen M. Ruby, president of Nordon Corp., expresses the belief that before the annual meeting is held on April 10, 1934, a free test on or adjoining Nordon acreage will be started. No definite tests on the various properties were made last year.

Mr. Ruby reports that there is not sufficient income to meet the most necessary running expenses and, therefore, the company was obliged to dispose of portions of its assets in order to maintain corporate existence. A few leases were relinquished and other interests were acquired through an exchange of stock. Attention is called to the Twin River well in Alberta where caving foiled attempts to treat with acid. This caving is now practically exhausted and Mr. Ruby expects that a test will be made at an early date. A shallow test well on the south end of the pool at the Todd Ranch lease in Crockett County, Texas, is being made in the immediate vicinity of several Nordon tracks. The present test hole is located in what is thought to be the "high" as confirmed by the company's geology.

A third test well has been started on the Pekisko structure in the foothills southwest of Turner Valley. This area has been geologized by Ben F. Hake and Robin Willis who report that the stratus and limestone, the producing horizon, will be encountered at approximately 1,500 ft.

Tests are also scheduled for the immediate future at Del Bonita, Alberta; Noble County, Oklahoma and Green River, Utah. The Noble County well, it is said, will prove a Nordon royalty. It was due to begin drilling the first of April. The Green River well is to be drilled as a direct offset to a United States Government prospecting permit covering 2,400 acres, one-half of which Nordon acquired through an exchange of stock.

The annual financial statement did not accompany the report, Mr. Ruby states, owing to drastic curtailment in office expense, but will be available at the annual meeting.

More Dividends For Howey Gold Foreseen in '34

Further dividends are in store for shareholders of Howey Gold Mines, according to R. T. Birks, president, speaking at the annual meeting in Toronto, March 29. He predicted that, in addition to the 3 cents a share already paid, a further disbursement of 3 cents a share would be made in June, and still another of 4 cents a share at the end of the year. If the president's predictions are realized a total distribution of ten cents a share will have been made shareholders in 1934.

Explaining that only a limited amount of work had been done on the new discovery made on the 1,000 ft. level, some 250 ft. east of present stopes in the eastern section of the mine, Mr. Birk stated the new discovery was the most important development in the mine during the past year. The find has shown in the limited work done a grade much higher than the Howey average. It would, however, take some time to determine the length, width, and vertical dimensions, he stated.

Depth of 1,500 ft. had been reached by the shaft, he told shareholders, and cross-cutting would be under way in the next week. He promised additional information at depth in a month or six weeks. The company now employs 225 and 230 men.

Directors, re-elected for the coming year, were R. T. Birks, pres.; W. S. Cherry, vice-pres.; H. C. McCloskey, sec.-treas.; F. D. Reid, gen. mgr.; B. E. Martin, asst. sec.-treas. Edward Futterer, supt., J. E. Hammell, J. A. Northway.

NORTHERN CANADA VOTES TO RETURN OLD MANAGEMENT

Sharp Clash Reveals Investment Portfolio in Sound Issues

The proxy battle which had split shareholders of Northern Canada Mining Corp into two camps, was officially ended Tuesday, April 3, when a ballot count revealed the old board had been returned in its entirety. Approximately 52 per cent of the shareholders voted for the presiding officials, comprising J. B. Tyrrell, R. G. O. Thompson, and W. S. Walton.

The revolt started a week ago, when Col. F. H. Deacon, R. S. Robertson, K.C., and others sought proxies in favor of a slate comprising Aubrey Davis, H. L. Sheppard, J. J. Mackay, H. C. Ransom, and G. D. McTaggart. The names of Dr. J. B. Tyrrell, R. V. LeSueur, and A. C. Mathews appeared on slates of both opposing factions. The name of Right Hon. Arthur Meighen was mentioned, but failed to appear on either slate.

Portfolio Revealed

The basic cause of the clash involved a matter of policy. A group of shareholders led by Col. Deacon and Aubrey Davis, sought an independent report on Kirkland Lake, and additional information as to the stock holdings of the company. Aubrey Davis, who spoke for the opposition, claimed that inasmuch as Northern Canada was an investment company, it should have followed a policy of diversifying its holdings. He felt too much of the company's interest was wrapped up in Kirkland Lake. He further charged that in its six years of existence as an investment company, Northern Canada appeared to have made little progress.

Strenuously did the management fight demands that details of the company's investment portfolio be made public. It would be unwise, they argued, at such a time to reveal the interests of the company; finally, however, the company's portfolio of investments was announced as follows:

Holdings	No. of shs.
Mines—(91.7 per cent of total):	
Bralorne	700 shs.
Bradian	200 shs.
Brett-Trethewey	5,300 shs.
Eldorado	300 shs.
God's Lake	5,000 shs.
Hollinger	1,100 shs.
Noranda	414 shs.
Siscoe	3,000 shs.
Sylvanite	3,000 shs.
Kirkland Lake Gold	1,736,521
Oils—(2.3 per cent of total):	
Barnsdale	400 shs.
B. A. oil	400 shs.
Champlain oil pref.	250 shs.
Consolidated oil	500 shs.
International petroleum	500 shs.
Imperial oil	200 shs.
Miscellaneous—(6.0 per cent of total):	
Amer. Car & Foundry	100 shs.
Brazilian	200 shs.
B. C. Packers pref.	100 shs.
Gypsum	145 shs.
Massey-Harris	400 shs.
Montreal Power	300 shs.
National City Bank	100 shs.
Simpson's preferred	150 shs.
Simpsons B	10 shs.
Western Canadian Flour	300 shs.
Yellow Coach pref.	100 shs.

St. Anthony Gold Mines Completes Power Source

Prediction that hydro - electric power will be turned on early this month features a report of St. Anthony Gold Mines, as of March 31, 1934. The power plant construction of the company, whose properties are in the Thunder Bay district, is practically completed, states the report. H. P. Bellingham, president, reports that the recent offering of 300,000 shares of additional capital stock had been over-subscribed.

Mine Taxation Scored As Using False Basis At C. I. M. M. Convention

President Neilly Takes Issue With Method of Assessing Profits — Act Levied on Capital, Mining Men Told

By STAFF EDITOR

QUEBEC, QUE.—A forceful attack on Canada's methods of mining taxation, was made by Balmer Neilly, retiring president of the Canadian Institute of Mining & Metallurgy, at the inaugural session of the 35th annual convention, which assembled at the Chateau Frontenac April 3.

Mining men from coast to coast, and several mine ministers, heard Mr. Neilly's analytical and constructive criticism of the Ontario Mining Tax Act, which, he argued, levied taxes not on profits, but on capital ventured and which was based on a rate far in excess of the rate charged against other basic industries.

A balance sheet and earnings statement of a gold mine had been drafted and submitted to the Dominion Income Tax authorities and to the various ministers of mines, all of whom were asked to assess the earnings as a test case. The response to the invitation was not as great as had been hoped, said Mr. Neilly, but sufficient data had been produced to warrant a continuation throughout next year of the same subject.

Not Attacking Governments

In submitting the balance sheet there was no intention of getting material for an attack on the governments, explained Mr. Neilly. But the institute felt that every act should be capable of interpretation, and that no group was in a better position to do this than the departments responsible for the assessment.

He made it plain that while he was criticizing certain aspects of the present method of taxation, he was not criticizing either the provincial or Dominion Governments. Rather, he was in the role of defender, protecting these governments against those who said taxes on the mining industry should go even higher. Governments, inasmuch as they represented the people as a whole, were entitled to every form of co-operation it was possible for the institute to give.

Not Taxed On Profits

Mr. Neilly warmly denied the theory that mines were taxed upon their profits, and that accordingly, when there were no profits, there were no taxes.

He referred to the findings of the Royal Ontario Nickel Commission of 1915 which body declared that a mine, to live, must return all the capital expended on purchase, development and equipment, and, in addition, should make a return sufficiently attractive to compensate the owners for risking their money and induce them to continue in the business. Mr. Neilly reminded his hearers that the commission specifically pointed out that real profits to the shareholders could only begin after proper provision had been made for replacement of capital.

The Ontario Mining Tax Act was criticized by the speaker for limiting beyond an equitable point what could be deducted from income in estimating the profit subject to taxation. It was bordering on the provincial, to prohibit the deduction of any item such as the cost of developing properties outside the province, as did the Ontario act.

To illustrate his point, he asked his audience to imagine an Ontario Mining company which had spent $1,000,000 on underground development, and was ready to go into production Jan. 1, 1932. In 1932 the company earned, over and above allowable expenses, $1,000,000. Then it was obvious, said Mr. Neilly, that there had been no real profit. The shareholders had not received back their actual costs of operations, and were out the interest involved in providing operating capital. Yet Ontario, he said, assesses their tax on what their act defines as $1,000,000 mine profit.

Mr. Neilly vigorously attacked the section of the Ontario Mining Act which makes the tax a first lien on the company's assets, and a subsequent clause which gives a sheriff power to seize and realize on any chattels of the mine, as long as he has a warrant signed by the minister or deputy minister. This made of it not a tax, but a royalty, he argued. A mining company's real income should, accordingly, be the gross income less the tax paid to the province, and the Dominion income tax authorities should allow it as an operating cost, which is not the present case.

Profits Taxed 32 Per Cent

Taking the record of the seven dividend-paying gold mines in Ontario, Mr. Neilly showed that in two years the taxes collected by the Dominion, provincial and municipal governments had increased over 260 per cent. Pressing home his argument, and citing the case of the McIntyre Mines, of which he is assistant to the president, Mr. Neilly stated that between the three tax-collecting bodies, the real profits were taxed at a rate of 32 per cent. Was ever any other basic industry taxed at such a rate, he asked? This rate, he stated, was approximately double the rate imposed on race track betting.

Concluding, Mr. Neilly stated that the onus of improving the acts which he had criticized was largely on the shoulders of the members of the Institute. The first essential to a reformation was an adequate definition of what was meant by mining profits. Secondly, it was essential to discuss and study the present mining tax acts applicable in Canada, so that the good could be sorted from the bad. Thirdly, it was necessary by some practical means to determine the maximum percentage levy that might reasonably be charged on mine profits, without discouraging those responsible for the finding and developing of new mines.

Other Papers Presented

Following the president's address, representatives from the various provincial and the federal governments presented a complete statistical survey of Canda's mineral industry. In the afternoon, C. O. Stee, manager of Siscoe Gold Mines, described the Diesel engine power at that mine, one of the largest power installations of its kind in the Dominion. W. H. Hannay, and James Bryden, Consolidated Smelter metallurgists, presented a highly instructive paper on the treatment of fume from lead blast-furnace slag for the production of electrolytic zinc, which has played such an important role in reducing costs at the Trail plant.

A Gronningsaeter, J. R. Gill, and R. C. Mott described the principles and practice of metallurgy at Falconbridge Nickel Mine.

NEW ROY OFFERING OVER-SUBSCRIBED SPONSORS CLAIM

Public Issue of Further 250,000 Shares Planned at 50c Per Share

The offering of 250,000 shares of New Roy Gold Mines, incorporated on March 9 last, with a Dominion charter, has been over-subscribed, The Financial Post is officially informed.

The initial offering was made to shareholders of Maple Leaf Mines at 42½ cents per share in the ratio of one share of New Roy for each two shares of Maple Leaf held. A public offering of a further 250,000 shares is now being made at 50 cents per share.

The company has an authorized capitalization of 3,500,000 shares of no par value, of which 1,500,000 shares were issued to the vendors of the property as a total consideration for plant, property and development work thereon. Maple Leaf Mines optioned the 2,000,000 remaining treasury shares, also 500,000 shares of the vendor stock.

Figured in Riot

The company's property, formerly held by the LeRoy Gold Mines, figured in a near riot last year, when the predecessor company became bankrupt and the employees —all foreigners—made a show of violence by taking possession of the property until their claims were paid. LeRoy Gold Mines was, itself, a reorganization of LeRoy Mines. Neither of these two companies held title to the property, however, and when the option terms were not met they reverted to the original owners, Messrs. Roy, Bussieres and Massicotte, who have had several offers of purchase, owing to the interesting gold showings.

Stripping along the principal veins for a distance of nearly 500 ft. disclosed many high grade sections with visible ore and the careful channel sampling every five feet gave an average assay of approximately $8 per ton in gold, at normal value, over an average width of five feet. A shaft has been sunk to a depth of 259 ft. and levels established at 125 and 250 ft. Some 500 ft. of lateral work has been completed on the 125 ft. level with values and widths showing improvement over the surface sampling. Little has been done on the 250 ft. level.

Diamond-drilling is to start at once with shallow holes from the surface, to delimit the extension at depth of the vein encountered on the surface.

The property is equipped with a complete camp and a steam driven mining plant, but a new hoist is being installed at once to carry work to the 1,000 ft. level. While initial work is being done by steam power it is anticipated that by fall hydro-electric power will be available.

The company's holdings comprise some 20 claims about 800 acres in one group in Louvicourt township, Northwestern Quebec. V. B. Lyle, M.E., is in charge of operations.

World's Lowest Cost Mine Gives 19th Annual Report

The 19th annual report of Alaska Juneau Gold Mining Co. is of interest to Canadians because it is the world's lowest cost gold producer. Mining over 4,000,000 tons last year, or a daily average of 11,200 containing 98 cents per ton in gold, the company made a net profit of $1,497,253 or $1 per share. Of the ore mined about 40 per cent was picked out as waste rock before reaching the mill. The total operating costs were 53.5 cents per ton of ore. A slight improvement on the previous record in 1932 of 53.85 tons or an average cost of 63 cents per ton since the commencement of operations in 1893.

At the company's property at Juneau, Alaska, unusual conditions prevail that permit of such low operating costs. The mining cost of 26 cents per ton is attributable to the large ore bodies lying above the tunnel with gravity playing the important role in mining.

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C.I.M.M. Awards Reveal Strides Made Last Year

Laurels for major achievements in Canada's mining world were presented this week at the annual meeting of the Canadian Institute of Mining & Metallurgy, held in Quebec city. Among those whose work during the past year was recognized as having been a major contribution to Canadian mining was William H. DeBlois, of Montreal, who was rewarded for having made waste smelter gases available for the manufacture of sulphuric acid.

Receives Leonard Medal

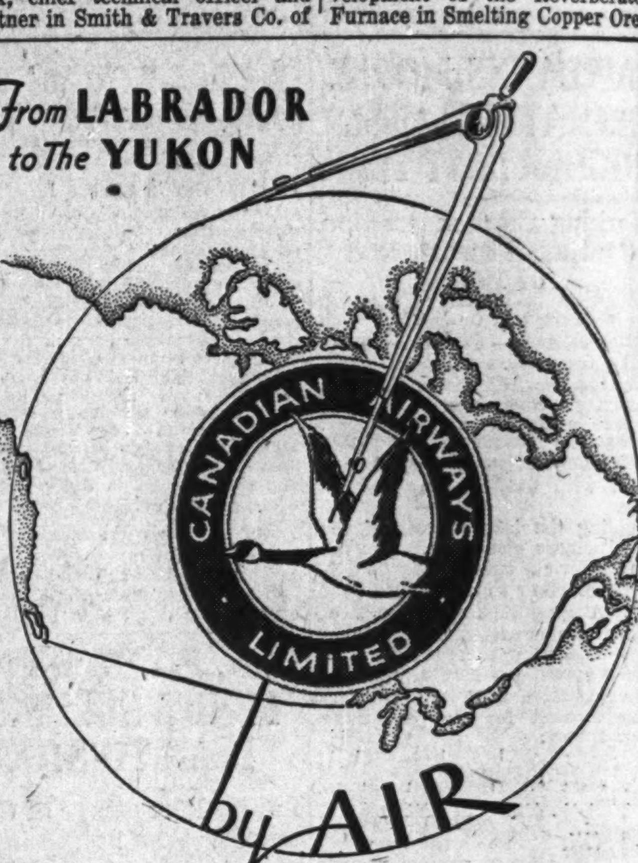
Another prized award of the C.I.M.M., the Leonard medal, was formally presented to C. H. Hitchcock, chief technical officer and partner in Smith & Travers Co. of Sudbury, for his work in diamond drilling. Starting in business in the Sudbury nickel camp when it was young, the firm, with the aid of Mr. Hitchcock, rapidly spread from coast to coast.

For having written the best paper of the year on economic or applied geology, L. Telfer, of Consolidated Mining & Smelting Co., was awarded the Barlow Memorial prize.

The Institute has special prizes for student engineers, competed for annually by papers on some mining topic. This year's awards are as follows: President's gold medal and prize of $25 to D. A. Smith (Queen's) for his paper "Siscoe Gold Mines Ltd."

Prize of $25 to Richard W. Herzer (McGill) for his paper, "The Hydrometallurgy of the Base Metals and its Application to Canada."

Prize of $25 to H. M. Woodrooffe (Toronto) for his paper "The Development of the Reverberatory Furnace in Smelting Copper Ores."



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At the Mines

Alexandria Gold Mines — Development at the company's property on Phillips Arm, under the direction of Premier Gold Mining Co., is proceeding on the 200 ft. level with plans calling for sinking an additional 200 ft.

* * *

Brooklyn-Stemwinder— Spectacular rise in gold prices has aroused interest in the old Phoenix camp, near the B. C. boundary, where Brooklyn-Stemwinder is installing immediately a 100-ton mill. A pre-listing issue of shares is being offered to complete the rehabilitation of the property, and for the erection of the mill.

* * *

God's Lake Gold Mines—Diamond drill hole No. 57 on the Reno group of claims, six miles west of the Akers or main group, has been completed to a depth of 160 ft., cutting ore averaging .48 oz. in gold over a horizontal width of 5.65 ft., and showing mineralized widths of 10.6 ft., giving an average assay of .28 oz. gold. The hole is 50 ft. west of hole No. 43, and extends the drilled length of the Reno vein—300 ft.—with both ends open.

* * *

Hercules Consolidated Mining Co.—This company has now 24 men working on its 72 claim property at Phillips Arm, B.C., and has constructed a modern camp.

* * *

Louvre Gold Mines—With a capital stock of 3,000,000 shares, Louvre Gold Mines Ltd. is being formed to take over the Wyeth-Jowsey claims in Louviscourt township, Que. This was the property on which Dome held an option some time ago and which they later dropped. Surface trenching and diamond drilling exposed the main showing for a distance of 1,200 ft.

* * *

Native Son—A merger between Native Son and Bridge River Ogden has been approved by directors of both companies, and is only awaiting the approval of shareholders. Under the plan, Bridge River Ogden capitalization will be increased to 2,500,000 shares, old shareholders to get two new for three old. Native Son shareholders will get one Bridge River Ogden for two Native Son.

* * *

New McDougall Segur Oil Co.—The company has acquired a 10 per cent interest in a Southern Turner Valley royalty well, according to F. M. Graham, president of the company.

* * *

Vancouver Island Gold Mines — Camp buildings are completed, and operation is ready for installation of the compressor unit at this mine. The main vein has been traced for 1,250 feet. After a current issue is subscribed, there will remain in the treasury two-thirds of the authorized stock issue for further development, H. S. Hoffar, general manager, reports.

* * *

El-Bonanza.—A crew of miners is en route from Kirkland Lake to the El-Bonanza Mining Corp. property at Great Bear Lake, N.W.T., and additional men will be employed on the arrival of this party, according to information contained in a letter to shareholders.

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SISCOE GOLD'S PROXY DISPUTE DECISION NEAR

Court May be Asked to Decide on Ballots in Question

From Our Own Correspondent

MONTREAL.—Shareholders of Siscoe Gold Mines will hold their annual meeting on April 13 when it is expected they will be given the report of the scrutineers on the election of directors.

Counting of the ballots has been going on since last March 28. Only a small percentage have been counted, progress being delayed by numerous objections. It is expected that the courts will be asked to settle differences which have arisen regarding the legality of many of the votes.

While no statement has been made, both of the opposing interests are preparing for a verbal battle when the meeting is resumed next week. Sensational charges are being discussed by representatives of the majority of the retiring board and by those of the protective committee and J. T. Tebbutt, president.

Production is Higher

In the meantime, production for the month of March is reported at $102,513, exclusive of premium, which compares with $99,817 in February and with $95,360 in March of last year.

The tonnage handled through the mill in March reached a new high record with a figure of 10,259 tons. This compares with 9,102 tons in February and the previous high mark of 9,740 tons established in January.

Mill heads average $10.24 during March as against $11.25 in February.

AIRWAYS INCREASE CAPITAL STRUCTURE

Capitalization Doubled to Finance Further Activities Planned by Company

At the annual meeting of Prospectors Airways Co., held in Haileybury on March 29, approval was given to increase the authorized capitalization from 500,000 no par value shares to 1,000,000 like shares in order to further finance the company's activities.

The financial statement presented at the meeting shows current assets of $2,255 including $1,796 in cash. Current liabilities total $1,054 leaving a net working capital of $1,200 as compared with $2,753 at the end of the previous fiscal year.

The first profit and loss account submitted covering the year ended December 31, 1933, showed an income of $185, expenditures $41,634 and depreciation of $6,551, leaving an operating loss for the year of $48,000. Profit from the sale of securities held amounted to $27,191 leaving a net loss for the year's operations of $20,809.

The company operates as a prospecting and exploration company employing aeroplanes and is the pioneer organization in Canada to use planes in prospecting activities. The company is head by Robt. Cockeram, former Northern Ontario mining man, but now resident of Clarkson, Ont. No change in the board of directors was made at the annual meeting. The other directors include J. Ingram, N. F. Parkinson, of Toronto; Peter T. Graham, New Liskeard, and L. B. Rochester, Ottawa.

Silversmith Mines Has New Sponsors

From Our Own Correspondent

VICTORIA.—Control of the Silversmith Mines in the Slocan district has been acquired by Couer d'Arlene mining interests, it is reported here.

Equipped with a 125-ton mill, 4,600 feet of aerial tramway and a 200 horsepower Diesel plant, the property under the White management is reported to have produced $2,500,000 from 150,000 tons of ore averaging twenty ounces of silver per ton, nine per cent lead and nine per cent zinc. Previous operators produced $3,000,000, according to information available here.

Apart from small scale operations by leasers who shipped occasional carloads of sorted ore to the Trail smelter, the property has been closed down since 1929 owing to the low price of silver.

The new company is capitalized at $500,000 in 2,000,000 shares of twenty cents par value, all of which are reported issued and fully paid.

Manco Gold Mines Financed Privately

Manco Gold Mines, recently incorporated to take over the Murray claims at Elbow Lake, has purchased a 25-ton Allis-Chalmers amalgamation mill formerly at the adjacent property of the Webb Mining Co. Plans of the officials call for setting up the mill at the property this summer to treat the high grade ore showing on the surface and to bulk-sample ore encountered in development. Diamond drilling was recently started at the property to probe the surface showings at depth.

The Murray Consolidated Mines formerly controlled the property and sunk a shaft to a depth of 35 ft., also started a tunnel into the hillside. The set-up provides for the exchange of Murray Consolidated Mines shares for those in the present company on the basis of two old for one new.

The company is capitalized at 3,500,000 shares of no par value. Gerald Rule is president of the company; G. M. Bartram, secretary; J. C. Houston, consulting engineer.

Finances are being provided by a group and no public offering will be made.

B.E.A.R. Report Gold Strike Yellowknife River, N.W.T.

Spectacular gold discoveries on the Yellowknife river are hailed in certain quarters as the most important event in the Northwest territories since the discovery of radium at Great Bear Lake. It is the first discovery of gold on a potentially commercial scale in that area.

The report has brought many prospectors down the hazardous Yellowknife river, which flows into Great Slave Lake. Following the discovery, extensive ground was staked on behalf of B.E.A.R. along the contact of an enormous granite batholith. A separate company, named Yellowknife Gold Mines Ltd. has been formed to develop these properties.

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PROFIT OF $45,550 MADE BY MERCURY

Oil Firm Announces Plan to Share in Financing Absorption Plant

Annual report of Mercury Oils for the fiscal year ended December 31, 1933, showed a net profit of $45,550 as compared with $90,381 at the end of the previous fiscal year. This is equivalent to 1.4 cents per share on the 3,213,166 no par value shares outstanding.

Gross sales for oil and gas, less royalties, were $168,989 as compared with $234,520 in the previous fiscal year. The balance sheet as at December 31, showed current assets of $235,285, including $153,743 in cash. Current liabilities totalled $19,866, leaving a net working capital of $215,419 as compared with $115,764 at the end of the previous fiscal year.

At the annual meeting held in Calgary on March 20, shareholders were told that current production from its Turner Valley wells was about 400 barrels daily. The company has drilled three wells to production, the last of which was brought in in June, 1930. Since that time a drilling agreement has been effected between Mill City Petroleum and Miracle Oils whereby drilling of offset wells has been stopped and these three companies received one third each of the net production of Miracle No. 2 and No. 3 wells.

Mercury Oils owns an unstated but controlling interest in the Mill City Petroleum. Shareholders were told that a proposal is under consideration for Mercury Oils to participate in the financing of an absorption plant to treat the wet gas from the wells of associated interest. The proposed name of the new company is Mayland Gas & Oil Products, Ltd., which will be headed by A. H. Mayland, also president and managing director of Mercury Oils.

J. McFetrick Elected Member Montreal Curb

J. McFetrick, of McFetrick & Co. Ltd., dealers in investment securities, has just been elected a member of the Montreal Curb Market. A new stock brokerage firm will be formed at an early date.

Mill City Gets Interest In Miracle Wells 2 and 3

At the annual meeting of shareholders of Mill City Petroleums held in Calgary, March 21, W. S. Davidson, president of the company, outlined that it was with a view to increasing the company's revenue that arrangements were effected for one third interest in the Miracle No. 2 and No. 3 wells in Turner Valley. Miracle No. 3 well came into production in May, 1932, and Miracle No. 2 came into production in September, 1933. The company's investment in these two wells amounted to $103,572 of which $41,349 has been received on this investment.

Shareholders were told of the company's interest in Rialto Oils, which owns a large block of acreage on the Reserve structure east of Coutts. Two wells have been drilled, the first proved a gaser, while the second was a dry hole.

The company also owns a controlling interest in the Alberta Development Co., which owns an oil lease on the Montana side of the Red Coulee field.

Mining Stock Quotations

Week Ending April 2.

Par Val.	Range 1934 High	Low	Company	Sales	Close Mar. 26 (or last)	High for week	Low for week	Close Apr. 2
1	.06	.01	Aconda	29,250	.02½	.02½	.02½	.02½
No	.23	.13	Aldermac	57,100	.19½	.20½	.17	.20½
1	.10	.02½	Alexandria	60,300	.07	.07	.06½	.07
No	.17½	.13	Algoma new	82,650	.14	.17½	.13½	.16
1	.02½	.00½	Algonquin	......	.02	.....	.....	.....
1	.04	.01½	Amity C.	48,500	.03	.03	.02½	.03
No	4.00	2.00	Anglo-Huronian	2,422	3.75	4.00	3.60	4.00
1	.08½	.03	Area	21,500	.05½	.06	.04½	.06
No	.20	.03½	Arno	5,100	.05	.05½	.05	.05½
1	1.25	.90	Ashley	7,115	1.02	1.10	1.00	1.10
1	.40	.04	Bagamac	1,585,550	.18½	.40	.17½	.38
1	.03	.00½	Baldwin	69,000	.03	.03	.02½	.02½
1	.22	.12½	Barry Hollinger	43,850	.18	.18	.16½	.17½
1	2.05	1.48	Base Metals	4,860	1.70	1.80	1.65	1.70
5	.91	.45	B.E.A.R.	46,275	.72	.73	.70	.73
1	.51	.32½	Big Missouri	20,900	.38	.39	.35	.36
1	.64½	.23	Bobjo	122,475	.57	.63	.53	.61
No	14.75	9.90	Bralorne	8,330	12.90	14.75	12.75	14.75
1	.16	.11	Brett Trethewey	11,700	.12	.11½	.11	.11½
50c	.80	.28½	Bridge River Ex.	8,650	.77	.80	.72	.78
1	.04½	.01½	Brownlee	120,200	.03	.03½	.03	.03½
1	.01½	.00½	Buckingham	21,500	.01½	.01½	.01½	.01½
No	.14	.06½	Buffalo Can.	32,650	.12	.13	.11½	.12
5	30.75	23.50	Bulolo	2,255	29.00	30.00	28.00	30.00
No	.02½	.01½	Bunker Hill	50,100	.02½	.02½	.02	.02½
5s	1.10	1.00	B'Wana McKubwa	......	1.00	.....	.....	.....
No	.14	.02½	Canam Metals	52,950	.05	.14	.05	.10½
1	.14	.07½	Can. Kirkland	114,100	.11½	.14	.11	.14
No	.72	.38	Can. Malartic	44,850	.62	.72	.60	.67
1	.02½	.00½	Capital Rouyn	100,450	.01½	.01½	.01½	.01½
1	2.85	2.25	Cariboo Gold	4,370	2.35	2.56	2.25	2.50
1	.09	.01	Cartier Malartic	35,300	.08½	.08½	.06½	.06½
1	.81½	.49	Castle Trethewey	84,700	.67	.71	.60	.70
1	.16	.07	Cen. Manitoba	32,300	.10½	.12	.10	.11½
1	.79	.54	Cen. Patricia	141,125	.70	.78	.68	.76
No	.12½	.05½	Chibougamau Pros.	132,450	.11	.12	.10½	.12
No	.15½	.09	Church. M. & Mill	41,100	.12½	.13	.11	.12½
No	.04½	.01½	Clericy	199,900	.03½	.03½	.03	.03½
1	.02	.01	Clifton Cons.	5,500	.01½	.01½	.01½	.01½
5	5.55	4.00	Coast Copper	934	4.60	4.75	4.45	4.75
1	.06½	.04½	Cobalt Contact	36,500	.04½	.05	.04½	.04½
1	.93	.55½	Columario	64,445	.91	.93	.90	.93
5	2.45	1.35	Coniagas	850	2.00	2.20	2.00	2.15
No	1.60	.97	Coniaurum	13,600	1.26	1.40	1.20	1.40
25	170.25	132.00	Cons. Smelters	2,182	163.50	168.75	160.00	168.00
No	40.50	32.25	Dome Mines	8,575	38.75	40.50	38.00	40.25
No	.07½	.04	Dom. Explorers	4,600	.05	.05	.04½	.05
1	.01½	.00½	Dominion Kirk.	8,000	.01½	.01½	.01½	.01½
1	.02	.00½	Don Rouyn	......	.00½	.....	.....	.....
*1	.08	.01	Duparquet	81,500	.05½	.08	.05	.08
1	4.35	3.25	Eldorado	21,210	3.64	3.70	3.50	3.66
No	4.15	3.00	Falconbridge	7,802	3.75	4.00	3.65	3.99
1	.06½	.01½	Federal	59,500	.05½	.06	.05	.06
No	.05½	.02½	Gilbec	58,300	.04½	.04½	.04	.04½
No	1.74	.70	God's Lake	113,520	1.45	1.72	1.40	1.71
1	.16½	.08	Goldale	71,900	.14½	.16	.13	.16
10	.48	.16	Goldfield	14,900	.37	.48	.35	.46
1	.21	.11½	Goodfish	24,200	.19	.20	.18½	.19
1	.18½	.02½	Graham Bosquet	117,150	.14	.15	.12	.15
1	.90	.60	Granada	61,765	.80½	.90	.75	.90
1	1.07	.66	Greene-Stabell	164,435	.92½	1.07	.91	1.07
1	.18	.05	Groselle	......	.14½	.....	.....	.....
1	.40	.30	Grull Wihksne	......	.35	.....	.....	.....
1	.48½	.30	Halcrow Swayze	107,275	.48	.48½	.47½	.48½
1	.10½	.03½	Harker	199,835	.08½	.10½	.08	.10½
1	.01½	.00½	Hilltop	13,500	.01½	.01½	.01½	.01½
5	18.75	11.40	Hollinger	46,242	16.50	18.75	16.40	18.00
1	1.35	.93	Howey Gold	70,075	1.16	1.30	1.12	1.15
No	12.50	9.00	Hudson Bay	2,495	11.50	12.00	11.00	12.00
1	14.25	10.45	Inter. Mining	20	13.00	13.00	13.00	13.00
No	28.25	21.15	Int. Nickel	41,836	27.40	28.25	26.40	27.55
1	.12	.02½	Jackson Manion	235,550	.11½	.11½	.10	.10½
1	.02½	.00½	Keora Mines	3,000	.02½	.02	.01½	.01½
1	.56	.45	Kirk. Hud. Bay	5,150	.53	.54	.52	.54
1	.02½	.00½	Kirk. Hunton	33,500	.02½	.02½	.02½	.02½
1	.76	.29	Kirkland Lake	174,300	.73½	.74	.67½	.73
1	.05½	.01½	Kirkland Premier	6,700	.04½	.04½	.04	.04½
1	.40½	.21	Kirk. Townsite	28,900	.38	.35	.30	.35
20c	.02½	.01½	Koot. Florence	10,500	.02	.02	.01½	.01½
1	.23	.11	Lakeland	43,500	.19½	.21	.19	.20
No	.18	.07	Lake Maron	75,900	.13½	.14	.12	.13½
	.03	.01	La Rose	......	.02	.....	.....	.....
1	53.25	42.00	Lake Shore	15,079	49.05	53.25	49.00	53.25
1	.21	.08	Lebel Oro	167,900	.19½	.21	.18½	.20
No	.22	.12	Lee Gold	19,100	.20	.21	.18	.21
1	2.50	1.85	Macassa	36,024	2.40	2.50	2.32	2.48
1	.08½	.01½	Malrobic	126,700	.06½	.06½	.05½	.05½
No	.15	.06	Mandy	1,500	.12	.12½	.12	.12½
No	.04	.02	Manitoba Basin	......	.03½	.....	.....	.....
1	1.00	.79	Maple Leaf	133,115	.96	.96½	.94	.94½
5	50.00	39.25	McIntyre	4,214	45.50	50.00	45.10	50.00
1	.51	.50	McKinley	......	.50½	.....	.....	.....
No	.04½	.01½	McLeod River	148,000	.04½	.04½	.04	.04½
1	.71	.39	McMillan	54,000	.63	.68	.59	.67
No	.52½	.25	McWatters	60,600	.46	.48	.44	.47
1	1.21	.83	McVittie	96,480	.89	.99	.83	.93
5	1.50	1.50	Mentor Exp. & Dev.	.....	1.50	.....	.....	.....
No	2.47	1.60	Mining Corp.	2,993	2.15	2.15	2.05	2.05
1	.06½	.02½	Moffatt Hall	77,900	.05½	.05½	.05	.05½
1	.20	.08½	Moneta	14,600	.14	.15	.13½	.14
1	.03½	.01½	Murphy	15,600	.02½	.08	.02½	.02½
No	.05½	.02	Newbec	14,600	.04½	.04½	.03½	.04½
1	.06	.03	Night-Hawk Penn.	22,000	.06	.06	.05½	.05½
5	2.85	2.30	Nipissing	6,115	2.50	2.55	2.45	2.50
No	41.25	33.25	Noranda	28,448	38.75	41.25	37.50	41.00
No	.54	.29	Nor. Canada	48,850	.53	.53	.46	.46
1	.25	.11	Osisko	12,500	.20	.23	.19	.23
1	.71	.36	Parkhill	64,420	.63	.70	.62	.69
1	.05	.01½	Pawnee Kirk.	9,000	.04½	.04½	.04	.04
1	.30½	.19	Paymaster	33,900	.27	.29	.26	.28
1	1.40	.75½	Pend Oreille	5,140	1.14	1.14	1.08	1.14
1	.05	.02½	Peterson Cobalt	3,500	.04½	.04½	.04	.04
1	12.85	10.75	Pioneer Gold B.C.	10,900	12.10	12.85	11.75	12.60
1	.05	.01½	Porcupine Crown.	49,500	.04	.05	.04	.04½
	.02	.00½	Porc. Gold Reef	12,000	.01	.01½	.01	.01½
1	.02	.00½	Potter Doal	32,000	.01½	.01½	.01	.01½
1	1.75	1.02	Premier Gold	27,975	1.46	1.55	1.35	1.51
1	.03½	.01½	Preston E. Dome	17,000	.03	.03½	.03	.03
No	.60	.30	Prospectors Air's	2,000	.40	.55	.50	.55
No	.15	.05	Quemont	......	.13½	.....	.....	.....
1	.99	.27	Read Authier	91,165	.74	.99	.70	.96
1	1.29	.87	Reno Gold	22,120	1.07	1.15	1.05	1.14
1	.02	.00½	Ribago	17,200	.01½	.01½	.01½	.01½
1	.04½	.01½	Ritchie	19,200	.03½	.03½	.03	.03
1	.07½	.01½	Robb Montbray	41,000	.06	.06½	.05½	.06½
1	3.55	1.75	San Antonio	38,908	3.35	3.55	3.22	3.50
1	1.25	.99	Sherritt Gordon	21,880	1.10	1.12	1.05	1.10
1	2.38	1.43	Siscoe	98,625	2.20	2.38	2.10	2.38
1	.05½	.02½	South Keora	4,000	.04½	.04½	.04½	.04½
No	.26½	.10	South Tiblemont	136,170	.15½	.16	.13	.15
No	.26	.08½	Stadacona	107,285	.21	.25	.20	.24½
1	.58	.31	St. Anthony	63,100	.50	.57	.48	.55
No	2.00	1.00	Sudbury Basin	7,615	1.65	1.80	1.60	1.70
1	.16½	.07	Sudbury Contact	28,750	.14	.14	.12	.13½
1	.08	.00½	Sudbury Mines	235,150	.06	.08	.05½	.08
No	.18	.18	Sudbury Nickel	......	.18	.....	.....	.....
1	.47	.25	Sullivan	48,700	.40	.47	.39	.47
1	3.10	1.29	Sylvanite	147,202	2.65	3.10	2.56	3.10
1	7.85	5.75	Teck Hughes	111,820	6.80	7.85	6.60	7.80
1	.59	.20	Thom. Cadillac	95,900	.52	.57	.49	.54½
1	.65	.26	Towagmac	99,050	.63	.64	.56	.63
1	.85	.35	Treadwell	250	.60	.60	.50	.50
1	.20½	.18	United Kirkland	......	.20	.....	.....	.....
No	.02½	.01½	Vacuum Gas	40,500	.02½	.02½	.02½	.02½
No	1.12	.77	Ventures	34,075	.96	1.03	.92½	1.00
1	.03½	.01½	Vickers	134,300	.03½	.03½	.03	.03
No	1.45	1.10	Waite Ackerman	5,463	1.16	1.20	1.10	1.20
50c	.50	.38½	Wayside	152,450	.41	.46	.38½	.45
No	.42	.31½	White Eagle	35,500	.35½	.36	.35	.36
1	.07½	.03½	White Lake	2,000	.05½	.05½	.05½	.05½
1	.15	.07	Wiltsey Coughlan	36,600	.14	.15	.13½	.14½
1	.20	.05	Wood Kirkland	26,800	.16	.17	.15	.15
No	10.10	6.75	Wright-Hargreaves	71,617	9.10	10.10	8.90	10.00
			OIL STOCKS					
No	.33	.17	Acme Gas & Oil	46,450	.30	.31	.28	.29½
1	.09	.09	Admiral	......	.09	.....	.....	.....
1	1.60	1.02	Ajax	5,130	1.28	1.30	1.25	1.25
1	.25	.15	Alta. Pacific	3,050	.19	.19½	.19	.19
1	.15½	.11	Amalgamated	7,400	.14	.13½	.12	.12½
1	.08	.04½	Anaconda	12,300	.06½	.07	.05½	.06
No	.12	.05½	Askalta	20,200	.07	.07½	.05½	.07
No	.35	.20	Associated	6,740	.26	.25	.23	.25
No	.13	.06½	Baltac	4,100	.08	.08	.07½	.07½
1	.10	.10	Brit. Dominion	100	.....	.10	.10	.10
No	1.60	.95	Calgary & Ed.	900	1.30	1.31	1.27	1.31
1	.15	.10½	Calmont	5,200	.12½	.12½	.11	.12
1	.12	.06	Common. Pete	3,000	.11	.12	.09	.10
No	.65	.50	Dalhousie	3,573	.57	.58	.55	.58
No	.09½	.04½	Devenish	2,000	.08	.08	.08	.08
No	.30	.20	East Crest	7,500	.21	.21	.20	.21
No	.48	.09	Erie Gas	43,800	.28	.48	.28	.48
No	.01½	.00½	Fabyan Pete	927,000	.01½	.01½	.00½	.01
No	.75	.40	Foothills	......	.60	.....	.....	.....
No	.16½	.09½	Freehold	20,600	.11	.12	.09½	.12
No	.13	.07	Hargal	480	.08½	.07	.07	.07
No	.35	.15	High. Sarcee	19,000	.29	.27½	.21	.21½
No	1.90	1.56	Home	4,860	1.66	1.70	1.60	1.68
No	.05	.02	Homestead	......	.05	.....	.....	.....
1	.16½	.13	Homestead O. & G.	8,600	.14½	.14	.14	.14
No	.44	.20	Lowery	......	.34	.....	.....	.....
No	.05	.02½	Madison	4,500	.03	.02½	.02½	.02½
No	.35	.14	Marjon Oil	7,950	.16	.19	.16	.16
No	.05½	.04½	McD. Segur Ex.	......	.04½	.....	.....	.....
1	.47	.35	McLeod	2,100	.38	.37	.37	.37
No	.22	.15	Mercury	18,600	.17½	.17½	.16½	.16½
No	.42	.28	Merland	3,100	.32	.30	.28	.28
1	.47½	.25	Midwal	12,650	.45½	.47½	.45	.47½
No	.22	.15	Mill City Pete	......	.16	.....	.....	.....
1	.33	.21	Model	500	.26½	.21	.21	.21
5	.17½	.09	Nordon	17,100	.14	.14½	.13	.13
No	.09	.05	Oil Selections	26,800	.07	.07½	.06½	.07
No	.18	.06½	Okalta	2,500	.13	.12½	.10	.10
100	29.00	18.00	Do., pref.	......	18.00	.....	.....	.....
No	.34	.20	Olga Gas & Oil	17,000	.22	.22½	.20	.20
	.17	.07	Pacalta Oil	45,500	.15½	.16	.12	.14½
1	1.10	.75	Petrol Oil & Gas	......	.80	.....	.....	.....
No	.04	.04	Richfield	......	.04	.....	.....	.....
No	19.55	17.00	Royalite	493	18.00	18.00	17.00	18.00
1	.10	.07½	Sarnia Oil	2,500	.08½	.08½	.08½	.08½
No	.17	.10	South West Pete	......	.12	.....	.....	.....
1	.42	.23	Spooner	500	.41	.42	.42	.42
No	.70	.60	Sterling Pacific	1,600	.65	.65	.65	.65
No	.11½	.07½	United	4,850	.09	.09	.08	.08
No	.32½	.11	Vanalta	51,950	.28½	.29	.26	.28
1	.20	.16	Vulcan	......	.16	.....	.....	.....
1	.22	.18	Wellington Oil	......	.16	.....	.....	.....
No	.97	.86	Wainwright West	18,050	.94	.93	.85	.85

VANCOUVER STOCK EXCHANGE

(Transactions for Week to March 27.)

Par Val.	Range 1934 High	Low	Company	Sales	Close Mar. 20 (or last)	High for week	Low for week	Close Mar. 27
1	.09½	.04½	Alexandria	25,800	.06½	.07½	.06½	.07
25c	.03½	.01	Bayview	41,500	.02½	.02½	.02	.02
20c	.08½	.05	Beaver Silver	2,600	.06½	.06½	.05	.05
25c	.06½	.04	Big Slide	......	.05	.....	.....	.....
25c	.03½	.02	Bluebird	6,500	.02½	.03½	.02½	.03
1	3.00	2.10	Bradian Gold	11,597	2.95	2.95	2.60	2.70
1	1.60	.83	Bradian Warrants	......	1.60	.....	.....	.....
No	12.95	9.85	Bralorne	8,076	12.25	12.95	12.15	12.95
1	.47½	.20	Bridge River Cons.	13,300	.40	.39	.35½	.36
50c	.80	.28	Bridge River Exp.	43,500	.76	.79	.72	.78
50c	.27	.25	B.R. Mountain Gold	3,050	.26	.26	.25	.25
100	99.00	99.00	B.C. Electric, pref.	......	99.00	.....	.....	.....
1	.92	.51½	B. C. Nickel	51,000	.69	.69½	.61	.66
1	1.20	1.00	B.C. Silver	100	1.10	1.10	1.10	1.10
50c	.29	.20	Butte I.X.L.	23,800	.28	.28	.27	.27
1	2.90	2.00	Cariboo Gold	13,475	2.30	2.38	2.25	2.28
No	10.00	8.75	Coast Breweries	116	9.15	9.25	9.00	9.15
	.33	.21	Congress Gold	35,150	.26	.33	.25	.32
25c	.02	.01	Cork Province	......	.01½	.....	.....	.....
1	.05½	.01½	Dalhousie Mines	174,700	.05½	.05½	.05½	.05½
	.08½	.06	Dawson Gold	......	.07	.....	.....	.....
No	1.12	.25	Dentonia	107,861	.81	1.12	.85	1.01
1	.45	.28	Dunwell	4,300	.32	.33	.30	.31
	.37	.28	Fairview Amal.	155,550	.30	.37	.30	.35½
	.12	.07½	Federal Gold	......	.12	.....	.....	.....
1	.42	.31	George Copper	900	.37	.35	.31	.31
50c	.02½	.02	George Enterprise	2,000	.02½	.02	.02	.02
1	.06½	.02½	Georgia River	37,800	.04½	.04½	.03½	.03½
50c	.08	.01	Glacier Creek	9,090	.06½	.07	.06	.06½
1	.63	.42	Golconda	11,000	.46	.50	.42	.43
	.20	.15	Golconda Ex.	15,800	.20	.19	.16	.16
50c	.50	.27	Gold Belt	7,900	.45½	.45	.42	.42
50c	.46	.39	Gold Mountain	550	.40	.44	.41	.44
50c	.06	.04	Grandview	4,500	.04½	.04½	.04	.04½
No	.35	.16	Grange Mines	17,875	.30	.30	.26	.28
1	.41	.28	Grull Wihksne	25,450	.37	.37	.35	.36
No	.16	.08	Haida Gold	53,750	.08	.13½	.11	.11
1	.07	.04½	Hercules Cons.	88,800	.05	.05½	.04½	.05½
No	.28	.07	Home Gold	127,000	.25	.28	.23½	.24
1	.02	.01	Independence	15,900	.02	.02	.01½	.01½
1	.04	.01½	Indian Mines	......	.03	.....	.....	.....
1	.14	.12	Inter. Coal	......	.13	.....	.....	.....
1	.29	.29	Jack Waite	......	.29	.....	.....	.....
50c	.30	.19	Kootenay Belle	12,550	.26	.30	.25½	.25½
25c	.02	.01	Kootenay King	1,000	.01½	.01½	.01½	.01½
25c	.01½	.00½	L. & L. Cons.	......	.01	.....	.....	.....
1	.01½	.00½	Lakeview	12,000	.01	.01	.01	.01
	2.95	2.95	Little Long Lac	......	2.95	.....	.....	.....
10c	.06	.04½	Lucky Jim	2,500	.05	.05	.04½	.05
No	.27½	.11	Mak Siccar	3,450	.26½	.26½	.25½	.26½
50c	.01½	.00½	Marmot Metals	7,000	.00½	.00½	.00½	.00½
10c	.33	.17	Meridian Min.	44,800	.19	.21	.17	.20
5c	.04	.04	Metaline Metals	......	.04	.....	.....	.....
No	.41	.13	Minto Mines	99,550	.33	.41	.29½	.39
50c	.13½	.05½	Mogul Mining	5,500	.09½	.11	.11	.11
	.01½	.00½	Mohawk	......	.01½	.....	.....	.....
	.27	.25	Mont'y Ackerman	......	.27	.....	.....	.....
50c	.45	.20	Morning Star	102,000	.43½	.45	.42	.42
1	.05½	.01	Morton Woolsey	13,675	.03	.03	.02½	.02½
50c	.09	.04	National Silver	17,000	.05½	.05	.04½	.04½
1	.13	.05	Native Sons	37,450	.06½	.07	.06	.06½
50c	1.36	.82	Nicola	77,265	.95	1.01	.96	1.00
50c	.17	.11	Noble Five	54,150	.14½	.15	.13	.13½
	.11	.10	Norgold	16,000	.10	.11	.10	.10
1	.54	.12½	Pavilion	1,500	.50	.50	.49	.49
1	12.75	11.00	Pioneer Gold	1,295	12.25	12.75	12.40	12.40
50c	.18	.10	Porter Idaho	11,700	.14	.13½	.12	.12
No	.02½	.01½	Premier Border	35,500	.01½	.01½	.01½	.01½
No	.25½	.16	Princess Royal	......	.17½	.....	.....	.....
1	.04½	.03	Quatsino Copper	1,500	.04	.04	.03½	.03½
50c	.19	.12	Red Hawk	3,000	.15	.15½	.15	.15
No	.22½	.10	Reeves McDonald	200	.17	.17	.17	.17
1	1.25	.87	Reno Gold	29,815	1.10	1.16	1.03	1.05
1	.15	.08½	Reward Mining	20,600	.09½	.11	.08½	.11
1	.03½	.01½	Rufus Argenta	9,000	.02½	.02½	.02	.02
1	.05	.02	Ruth Hope	1,150	.04	.03	.02	.03
1	.55	.37	Sally Mines	2,300	.50	.50	.45	.48
50c	.33½	.27	Salmon Gold	34,300	.28½	.29½	.27	.29½
1	.09	.05	Silverado	......	.07	.....	.....	.....
25c	.04½	.02½	Silvercrest	15,500	.02½	.02½	.02½	.02½
20c	.17	.04	Silversmith	66,500	.10	.17	.10	.15
50c	.03½	.01½	Snowflake	7,000	.02	.01½	.01½	.01½
25c	.04	.02	Sonora	......	.04	.....	.....	.....
1	.40	.28	Standard Gold	1,500	.29	.30	.28	.30
10	6.60	4.75	Sunshine	......	5.90	.....	.....	.....
1	.28	.20	Sunloch	......	.28	.....	.....	.....
No	.83	.50	Taylor Bridge	24,500	.81	.81	.74½	.75
1	.42½	.35	Taylor Windfall	10,973	.42	.42	.40	.42
	.05	.04	Thurlow Gold	......	.04	.....	.....	.....
5	.25	.20	Toric	......	.20	.....	.....	.....
50c	.28	.04½	United Empire	17,000	.20	.23½	.18	.18
No	3.50	1.40	Vidette Gold	3,935	3.30	3.50	3.10	3.30
No	.27½	.13	Waterloo Gold	700	.20	.20	.15	.15
25c	.04½	.02½	Waverly Tangier	193,600	.02½	.02½	.02½	.02½
50c	.47	.38	Wayside	28,950	.41	.40	.38	.39
20c	.03½	.02½	Wellington	5,500	.02½	.02½	.02½	.02½
No	.42	.30	White Eagle	1,100	.37	.36	.35	.36
1	.10½	.06½	Whitewater	2,300	.08	.08	.07	.07

DIVIDEND PAYERS

Company	Rate	Yield %	Company	Rate	Yield %
Ajax Oil	8c.	6.40	Mercury Oils	4c.	....
Bralorne	12½c.	.....	Merland Oils‡*	5c.	....
Bulolo Gold‡	60c.	.....	Model Oils	3c.	....
Coast Brew	92c.	10	Noranda‡	$1	....
Coniagas‡	12½c.	.....	Petrol Oil‡*	1c.	....
Cons. Smelters	1.50	.....	Premier	12c.	7.94
Dome Mines	1.50	.....	Pioneer, B.C.	60c.	4.76
Falconbridge	5c.	.....	Royalite*	$1	....
Goldfield Cons.‡*	5c.	.....	San Antonio†	5c.	....
Hollinger	65c.+20c.	4.53	Siscoe	12+2c.	5.88
Howe Sound	$3	.....	Sterling Pacific Oil‡	2½c.	....
Int. Coal & Coke‡	2c.	.....	Sunshine Min.	5+7c.	....
Int. Nickel c.	10c.	.....	Sylvanite	10+5c.	5.48
Lake Shore	$2+$1	5.63	Teck-Hughes	60c.	7.69
McIntyre	1.62½	3.24	Wright-Har.	40+10c.	5.00

‡Interim. †Initial. *Paid in 1933.

Unlisted Mining Stocks

April 3, 1934

Company	Bid	Ask	Company	Bid	Ask
Adanac Gold	.30	.34	Lamaq. Con. Un.	45.00	55.00
Ardeen Gold	.48	.51	Lamaque Gold	1.40	1.50
Arntfield Gold	.75	.85	Little Long Lac	4.90	5.10
Arntfield Synd.	.75	.85	McCarthy Webb	...	.14
Astoria Rouyn	.04	.06½	McL. Cockshutt	.38	.43
Bathurst	.04	.05	Makwa Cham.	.32	.35
Beattie	1.20	1.25	Manca Gold	.30	.35
Bidgood	.03	.05	McCuaig R. Lake	.24	.28
Big Long Lac	.20	.22	Man. & Eastern	.21	.23
Bloom Lake	.32	.35	Matachewan Can.	.23	.27
Buff. Ankerite	1.60	1.70	Mecca Gold	...	.23
Buff. Rouyn	...	.03	Metals Develop.	.05	.06
Bussieres Min.	...	.40	Minefinders	2.25	2.75
Calder Bosquet	.27	.30	Martin-Bird Un.	14.00	16.00
Can. Pandora	.28	.33	Mont. Acker.	.31	.34
Can. Radium	.08	.12	Montague Gold	4.50	...
Canusa Mining	.06	.09	N.A.M.E. Units	5.00	...
Casey Summit	.65	.75	Normetal Mine	.55	...
Car. Coronada	.24	.28	Normont	.16	...
Cent. Swayze	.05	...	North Shore	.26	.29
Clover G. Units	30.00	35.00	Northl'd Pros.	...	400.00
Cochenour Wil.	70.00	85.00	O'Connell Gold	.39	.44
Columario (old)	.43	.47	Oro Grande Dev.	...	.50
Cont. Columbia	...	.28	Peninsular Pet.	.00½	.01
Continental Kirk.	.05	.07	Pickle Crow	.87	.91
Coupland Gold	.39	.43	Pontiac Rouyn	.53	.60
Crown Reserve	.04	.06	Prairie Gas	...	.30
Delta Units	30.00	50.00	Que. Eureka Un.	11.00	15.00
Dorval Siscoe Units	16.00	20.00	Queen Lebel	.08½	.10
Dunlop Cons.	.01½	.03	Red Lake Gold	.31	.33
Eagle Oil	...	1.50	Rubec	.03¼	.08½
Echo Bay Expl.	...	35	St. Paul Silverad.	.37	.43
Edgecreek Un.	9.00	14.00	Sequin Rouyn	.30	.35
El Bonanza	.27	.30	Silveradium U.	190.00	200.00
Fiske	.01½	.02½	Silver Valley	...	.20
Four Nations	.40	.45	Smelter Gold	.38	.40
Galatea Units	30.00	50.00	Sourdough Un.	5.00	10.00
Garry Gold	.14	.16	Sun Bear	...	.20
Glenora Gold	.48	.53	Sunorca Explor.	1.65	1.75
Goldside Units	40.00	50.00	Swayze Contact	...	.16
Gold Bar	.13	.15	Talisman Gold	.20	.25
Greenlaw	.07	.09	Tashota Goldfield	.37	.41
Gr. Bear Lake	.40	.45	Tashota Gold	.07	.09
Gunnar Gold	1.45	1.52	Tiblemont Island	.18	.23
Herbin Lake Un.	16.00	21.00	Titurno Units	25.00	30.00
Horseshoe	.05	.09	Toburn	1.55	1.65
Huronian M.	.50	...	Tudhope M. Syn.	13.50	15.00
Inter. Gold	.22	.25	Tyrrell Tp. McN.	...	48.00
Iroquois Kirk.	.16	.19	Vipond	.50	...
Island Lake	.08	.11	West McW. Units	5.00	9.00
Johnson Nipigon	.35	.40	Wendigo	.40	.45
Keeley	.50	...	Wingold	.37	.41
Kenty Gold	...	.95	Young Davidson	.36	.40
Kirk. Gold	.24	.29	Young Munro	...	.15
Lake Geneva	.12	.17			
Long Lac Lag	.32	.36			

The above table is made up from quotation sheets of several brokers. The Financial Post does not guarantee the quotations but can supply any subscriber with the name of the broker from whose sheet any particular quotation was taken.

HALCROW SWAYZE PLANS TO ERECT SMALL PILOT MILL

Claimed Programme of Development Produces Encouraging Results

Halcrow-Swayze Mines is to have a 25-ton pilot mill erected immediately, according to an announcement of Horace F. Strong, president of the company. This mill will be taken into the company's property in Halcrow township, Swayze area, Ontario, before the break-up. Power for operations will, at least, initially be supplied by Diesel engines, and it is expected that the company will be in production by early June.

Hydro-electric power is still in the offing for this camp. Some months ago the Ontario Hydro-Electric Power Commission made proposals to the companies developing in that area to serve them with electric power from main transmission lines into Sudbury, but this has not yet been completed.

To Diamond Drill

Since the company was incorporated in November, 1932, an aggressive, well directed programme of development has been under way. A shaft was sunk to a depth of 250 ft. with lateral work on the 125 ft. and 250 ft. levels. The No. 2 vein has responded in such an encouraging manner that officials now believe that a pilot mill is warranted not only to bulk sample the ore, but also to provide funds for further development of the property. Surface exploration work disclosed some four veins with the No. 2 vein the most important. It has been traced some 1,700 ft. across the property showing widths from six to ten ft. Plans have been made for starting diamond drilling at once from the 250-ft. level to probe the No. 2 ore zone to a depth of about 500 ft.

The company has been financed through the Manitoba and Eastern Mines, which underwrote a portion of the stock and has an option on the balance. These shares are being gradually taken up to provide funds for development and for mill construction. As at March 31, 1,765,005 shares were outstanding out of the 2,500,000 authorized $1 par value shares. The company's treasury is reported in good financial shape, sufficient to complete the present construction and diamond drilling programme, after which it is anticipated it will be on a self-supporting basis.

U. S. WON'T ACCEPT LEBEL LODE SALES

Seeks from Canada Information Called For by Securities Act

The Federal Trade Commission at Washington has just issued a notice prohibiting Lebel Lode, Ltd., from selling its mining shares in the United States, until information is furnished the commission to make complete the company's registration filed under the Securities Act.

Among the deficiencies criticized by the commission is the omission of the company to state in its prospectus that no dividends have been paid to date, also that the assay values shown were not representative of the results in the reports from which they were taken.

The Lebel Lode, Ltd., was incorporated in Ontario in 1921 to develop a prospect comprising five claims two miles from Kirkland Lake. Surface work and some 8,500 ft. of diamond drilling, have been done on three veins which have been probed to a maximum depth of 800 ft.

The company is headed by J. J. McNab, as president, of Gravenhurst, Ont. It has an authorized capitalization of $2,000,000 in $1 par value shares. As at December 31, 1932, current assets were $4,256 while current liabilities were $7,873.

Metals Development Co. Forced to Reorganize

Directors of Metals Development Co. met in Montreal on March 26 and approved of a reorganization of the company which provides for a new company to be known as the Hudson Patrician Gold Mines, having a capitalization of 2,500,000 shares.

Last spring it was thought that Metals Development had secured sufficient finances from the Montreal interests to enable work to proceed but this deal finally fell through and little or nothing was done at the property.

The terms of the reorganization provide for 1,000,000,000 of the new shares to be issued to the holders of 3,800,000 shares of the Metals Development Co., or old shareholders. Of the balance, 1,100,000 shares have been issued to Bebson & Associates, of Toronto, to net the company $200,000 under a firm underwriting agreement of which $12,000 has been paid on account.

Promising Gold Strike Made on Texada Island

From Our Own Correspondent

VICTORIA.—An important gold strike has been made on Texada Island, according to O. B. Bush, who discovered the Premier in 1910. Mr. Bush has been exploring claims on Texada Island for several months.

A large shear zone has been found showing over 15 ft. of solid sulphide with high values in gold from samples taken from the surface. No attempt has yet been made to take an average sample owing to the nature of the outcrop.

This discovery is an entirely different vein system to those previously worked on the island.

Kootenay Belle Property Reports Vein Discovery

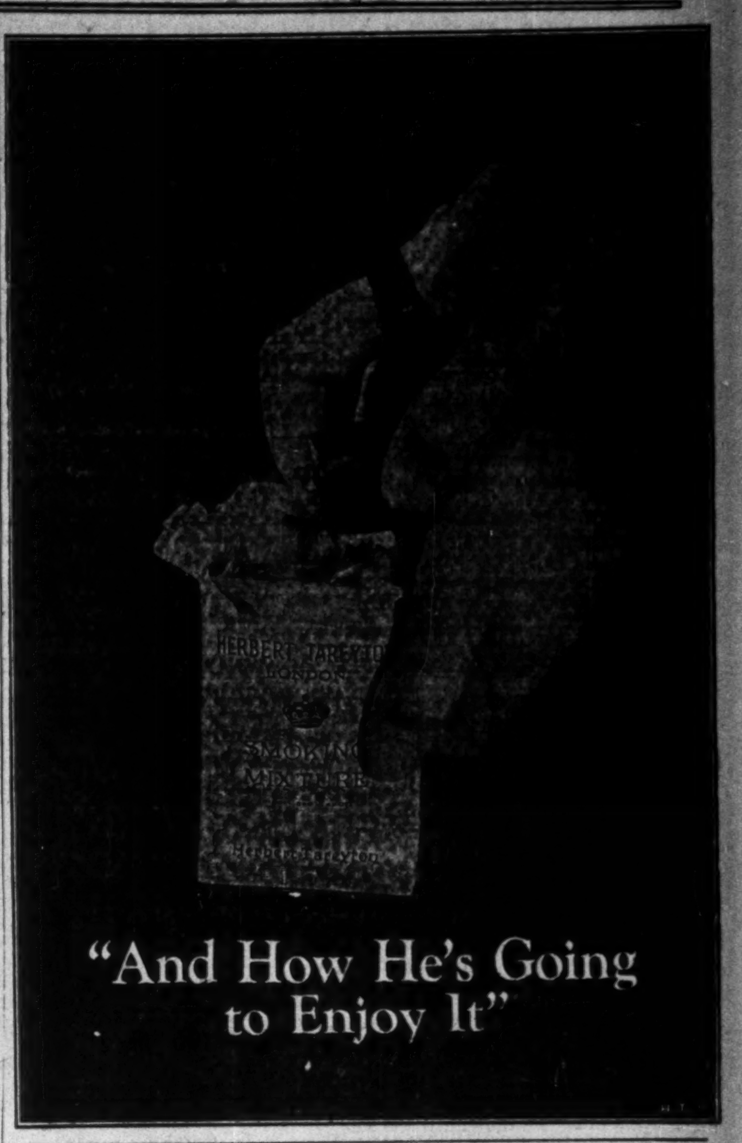
From Our Own Correspondent

VICTORIA.—At the Kootenay Belle property, near Salmo, a vein was encountered 70 ft. along the No. 1 drift, showing a width of eight inches from which two assays ran 3.2 and 4.3 ounces of gold to the ton respectively, according to F. M. Black, managing director of the company. He also stated that a new cross vein joining the main ledge had been struck and that assays across a two-foot width gave returns of 3.3 ounces of gold per ton.

Minto Reports New Vein In Bridge River Gold Area

From Our Own Correspondent

VICTORIA.—A highly mineralized vein five feet in width between good walls has been encountered at the Minto Gold Mines property in the Bridge River district, according to wired advices received here from G. Allan Crane, consulting mining engineer for the company.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PICKLE CROW GOLD SECURES CAPITAL FOR PRODUCTION

Nesbitt, Thomson and Co. Acquire Substantial Interest

From Our Own Correspondent

MONTREAL. — Nesbitt, Thomson and Co. have acquired 500,000 shares of stock in the Pickle Crow Gold Mines. At the same time it is announced that sufficient capital has been secured by the company to ensure bringing the mine into production. The sinking of the shaft from the 375 ft. level to the 625 ft. level is being carried on. A power supply is assured through a contract with Ontario Hydro, which is constructing a transmission line into the property this year.

Participation of Nesbitt, Thomson and Co. in this mining enterprise was largely influenced by the report on the property made by C. W. Knight and Victor Emery. In this report, the consultants said, among other things:

"The average grade of ore, including the vein on the surface, 250-ft. level and 375-ft level, is $21.13 in gold per ton with gold at $20 per ounce; or, with gold at $35 per ounce, $36.98—for an average width of 2 ft. 9 in. No difficulty should be encountered in the metallurgy of the ore, owing to the apparent free milling nature of the gold; and in consideration of the tests already made on the ore by the Department of Mines at Ottawa, milling costs should be low.

"In regard to the depth to which payable ore may extend, we would remark that no careful engineer or geologist would pretend that he is able to predict that commercial ore will go down to great depth."

Net 1933 Loss of $5,542 Is Shown by Hargal Oils

The annual report of Hargal Oils for the fiscal year ended December 31, 1933, shows a net loss of $5,542 after reserves of $3,021 for depreciation and depletion. This compares with a loss of $5,402 in the previous fiscal year. Gross income totals $4,637 as compared with $2,928 in the previous year. This production was principally from the company's No. 1 well in the Turner Valley field of Alberta, but D. B. Manley, vice-president of the company explained that it was only able to show a small operating profit due to the present gas quota allowed by the Alberta Government. The No. 3 "B" well in the Wainwright field is inactive because of a ready market for the product.

Whereas the company was formerly owner of approximately 5,500 acres of petroleum and natural gas leases in Alberta, all have been cancelled by the government except 130 acres of government leases and 150 acres of freehold leases.

The balance sheet of the company as at December 31, 1933, shows current assets of $20,265 as compared with current liabilities of $5,927. In addition, the company owns investments and costs totalling $27,052 including 1,675 shares of Imperial Oil, 2,000 shares of Premier Gold Mining and 20,000 shares of Butte I.X.L. Gold Mines.

The annual meeting of the company is called for April 28 in Vancouver.

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MORE U.S. FUNDS FOR B. C. MINES PROMOTER SAYS

N. Y. Group Which Sponsored Nicola Mine, Has New Plans

From Our Own Correspondent

VICTORIA. — Still more American capital is available and is planning to enter the B.C. mining fields, according to M. E. Erdofy, president of Bartley & Co., investment brokers of New York. The company is interested in Nicola Mines & Metals, rehabilitating the old Planet property south of Kamloops.

The promotional activities of this group are not unknown, as the Nicola Mines & Metals Co. has responded nobly in the stock market to their genius.

Giving full marks for the capable technical direction that is being given the property at Stump Lake in an effort to demonstrate that it still has possibilities as a gold producer, it cannot be denied that the sponsors have found it a very profitable undertaking without waiting for dividends. Just how profitable the financing of this property has been to date is told in the following official option figures as recorded by the British Columbia Security Commissioner.

A Profitable Deal

The agreement signed on February 22, 1933, between Nicola Mines & Metals and the Clifton Corp. calls for the ultimate purchase of a total of 1,500,000 shares of Nicola at an average price of 12 cents per share to net the treasury $180,000. The first payment was $10,175 on Feb. 24, 1933, in consideration of 63,593 shares of Nicola or at the rate of 16 cents per share. Monthly payments were to be not less than $5,000 and to continue until $80,000 had been placed into the Nicola treasury and 500,000 shares had been taken up. Thus the original block under option would net Nicola company 16 cents per share.

The agreement also provided that within a year from February 22, 1933, after this first block of 500,000 shares had been paid for, a further 1,000,000 shares would be made available at 10 cents per share to the Clifton Corp. or Aaron Benson. A further agreement between Nicola and the Clifton Corp. dated April 13, 1933, provides that an additional 500,000 shares may be taken up at 25 cents per share.

Escrow Break Due

The escrow agreement, dated April 18, 1933, provides that the 2,000,000 vendors shares were to be pooled with the Montreal Trust Co. until September 21, 1933, but this was extended until March 21, 1934.

The vendors, Donohoe Mines, J. A. Campbell, Hazel Bancroft, Leo Bancroft, Nick Thodos, Anna Thodos and Annie Bancroft were to be allowed to draw down their pro ratio share of 50,000 shares in escrow every three months, but not until the Clifton Corp. had been offered the opportunity of purchasing them at 75 per cent of the then market price.

Bartley & Co., of New York, closely connected with the Clifton Corp., advised the British Columbia Securities Commissioner that the former had agreed to purchase 850,000 shares from the Clifton Corp. at 40 cents per share. Also that any shares in excess of these 850,000 shares were first to be offered to Bartley & Co. at 25 per cent less than the then prevailing market price, but were to be held for a period identical with the escrowed vendors shares.

The market for the shares of Nicola Mines & Metals steadily climbed to $1.36 last February, then slumped suddenly to 82 cents and are presently selling for 96 cents per share.

ALBERTA REVEALS OIL WELL OUTPUT

Government Reverts to Old Policy and Gives Detailed Production Figures

The Department of Lands and Mines, Province of Alberta, Petroleum and Natural Gas Division, has reverted to its old policy of giving detailed production figures from each company. According to official information, the following are the 1934 January and February production figures from the Alberta fields:

	Feb. Bbls.	Jan. Bbls.
Turner Valley		
Advance	645	652
Associated	279	328
Baltac	104	105
Dalhousie	834	962
Foothills	2,353	2,646
Freehold Mar-Jon	5,881	6,753
Home	1,690	1,694
Lowery Pete	283	348
Merland	5,859	6,961
Royalite	37,976	37,013
A. Pac. Con.	171	171
Mayland	2,947	3,513
Calmont	414	360
Southern Lowery	2,083	2,365
South West Pete	221	218
Sterling Pacific	3,812	4,522
Alta. Fed. (main pool)	28	121
Anaconda	6,199	1,251
British Dominion	207	197
Commonwealth	570	651
East Crest	1,773	1,845
Freehold	116	131
Hargal	69	78
Homestead	171	235
Hylo	2,031	2,653
McLeod	526	552
Mercury	4,762	5,653
Miracle	7,322	7,880
Midfield	104	130
Model	4,787	5,241
New McD.-S.	‡802	1,160
Okalta	753	863
Regent	‡151	125
Richfield	276	293
Spooner	641	718
Sterling Roy.	6,857	8,411
Structure Wayne	251	282
Vulcan	*80	206
Wellington	296	289
Widney	430	700
Total, bbls.	104,754	108,278
Red Coulee-Keho		
O'Neil	428	487
Vanalta	1,233	1,488
H. B. Keho	23	72
Total, bbls.	1,684	2,047
Wainwright		
Sasko-Wainwright	247	284
Gold Standard	112	107
Total, bbls.	359	391
Grand total, bbls.	106,797	110,716

NOTE—Recoveries through absorption plant are credited entirely to Royalite.

*Estimated; correction will be made in March totals.

‡Includes correction from Jan.

Richfield Petroleum Current Assets $10,760

Annual report of Richfield Petroleum for the fiscal year, ended February 28, 1934, shows current assets of $10,760, and current liabilities of $4,188.

The company owns two wells in Turner Valley, Alberta. No. 1 well was abandoned in 1930, after having struck a fault in the formation. No. 2 well is on production at the north end of the valley. The annual meeting was held in Calgary, March 31.

Epic Struggle Climaxed By Inco Award This Year

Conquering of Flin Flon Ore is Credited to Robert E. Phelan

There's a story behind the award of the Inco medal this year by the Canadian Institute of Mining & Metallurgy. It's a story about a young engineer who pitted his skill against seemingly insurmountable natural obstacles and came out victorious. The last chapter of the story was written in Quebec this week when Robert E. Phelan was formally presented with the coveted medal at the annual meeting of the C.I.M.M.

The setting is the vast Flin Flon area in Manitoba; the central figure Phelan himself, and the period covers the last nine years.

Before 1925, the Flin Flon had been a tantalizing dream to engineers and promoters. Discovered in 1915 by the Hammell-Mosher Syndicate, Flin Flon proved, through diamond drilling and surface trenching, to contain huge quantities of low-grade complex, gold-silver-copper-zinc ore. But, and here was the catch, it was situated in such an isolated section of the province, and so far from any possible power source, that a satisfactory method of treating the ore was thought impossible. The nearest railway was 90 miles away, power non-existent, and the nearest summer route to the area was one 175 miles long, consisting of 157 miles boat trip and portages of 18 miles from The Pas. The winter route was 100 miles.

Many companies took options on the area, only to let them lapse as hopeless. This went on for ten years.

Then in 1925 came Phelan, representing the Harry Payne Whitney group in New York. At that time he was 38 years old. He had graduated in 1910 in mining engineering from Columbia University, and had spent the next 15 years travelling his native United States, gathering much experience, but, such is the mining game, little reputation. But he was known as a man who knew his job.

Breath-taking Speed

And in 1925 his job was to appraise the provocative and tantalizing Flin Flon district. In quick succession he examined the deposit, laid his plans, which involved, with bold abandon, the expenditure of millions, and struck a bargain with the owners. Then there began an engineering and economic battle without precedent in Canada, and perhaps in the world.

At first the engineering world was sceptical, but when, in the brief period of a year, Phelan had completed a method of separating the gold, silver, copper and zinc from the ore, and a water power site had been located to provide cheap power, the engineering world sat up and took notice. Something big was going on in Manitoba. In 1926 a 25-ton pilot mill was erected. In 1930 a plant of 3,000 tons capacity now treating 4,400 tons daily was installed and a 44,000 h.p. power plant started. All this was done with breath-taking speed. For the greater part of the year this district is in the grip of sub-zero weather.

In September 1928 an 87 mile spur line from the Hudson Bay railroad was completed. Every pound of the thousands of tons of equipment and material for the hydro-electric plant was lugged in by tractor trains over 60 miles of winter roads to Island Falls, Saskatchewan.

By 1930, when the huge plant was completed, it looked as if the major problems of the Hudson Bay Mining & Smelting Co., organized to finance the undertaking, were over. But in that year the economic depression paralyzed business, and sent copper, zinc, and silver prices tumbling down to about half their original price. The engineering world shook its head. Flin Flon would have to be closed.

But the engineering world was wrong. Phelan, now general manager of The Hudson Bay Mining & Smelting Co. set to work to improve his processes still further, so that mineral could be produced to meet the new low prices. This he did. Now prices are going up, and the $22,000,000 investment is on a profitable basis.

ROBERT E. PHELAN

The strong human element in this story does not centre around Phelan alone. The development of Flin Flon has gone a long way toward solving Manitoba's seasonal unemployment problem. The province was formerly essentially an agricultural one. Now the effects of the thriving little town at the mine are being felt throughout Manitoba, and in fact, throughout the Dominion, since supplies have to be obtained from the outside, and products of the mine, smelter and refinery have to be transported to eastern markets or refineries.

The Inco medal struck in platinum was established last year by International Nickel Co. to commemorate the 50th anniversary of nickel ore at Sudbury. Designed by Dr. Tait Mackenzie, it is presented to the person who has made a meritorious contribution to mining and metallurgy in Canada.

INTER. MINING CO. HOLDINGS SCORE ADVANCE IN 1933

Market Appreciation More Than Offsets Loss on Current Operations

From Our Own Correspondent

MONTREAL. — International Mining Corp., holding a substantial interest in Bululo Gold Dredging and various mining properties in Canada, the United States and other countries, reports a net loss in 1933 of $532,156 before adjustment of unrealized appreciation of $1,974,326 in market value of investments as compared with cost.

Prior to June, 1933, capital of the company had been privately subscribed. In that month there was a public offering of 63,506 treasury shares. The policy of the management has been to seek capital appreciation in its holdings and not current income.

Holdings Have Greater Value

The balance sheet at the end of 1933 shows assets totalling $5,712,532, of which $4,480,871 represent investments at cost. These investments had a market value then of $6,350,402. At the time of public financing, the balance sheet, dated June 14, 1933, showed assets of $5,046,387, of which investments at cost represented $3,766,170 and the market value of the latter $4,143,754.

Changes in Portfolio

Several changes of interest took place in the company's investment portfolio between June 14 and the end of 1933. The list at December 31 shows that the following securities held on June 14 had been sold: 500 shares of General Mining and Finance Corp.; 5,000 shares of Patino Mines and Enterprises Consold.; 1,000 shares of Randfontein Estates Gold Mining Corp.; 4,400 shares of Texas Gulf Sulphur Co.; 2,000 shares of West Rand Consolidated Mines and 1,000 shares of Witwatersrand Gold Mining Co.

During this period the following securities were acquired: 4,100 shares of American Metals; 2,000 shares of American Smelting and Refining Co.; 1,000 shares of Anglo Burma Tin; 134,126 shares of Base Metals Mining Corp.; 3,750 shares of Golden Cycle Corp.; 600 shares of Homestake Mining Corp.; 5,000 shares of Seaboard Oil Co.

Holdings of the following securities were increased or decreased: American Smelting and Refining second preferred, from 1,400 to 1,000 shares; Bululo Gold Dredging, from 90,804 to 94,274 shares; Continental Oil Co., from 1,500 to 3,500 shares; Creole Petroleum Corp., from 21,000 to 18,000 shares; Ohio Oil Co., from 2,500 to 2,000 shares; St. Joseph Lead Co., from 9,600 to 9,000 shares; U. S. Smelting and Refining Co., from 1,800 to 3,600 shares; and Wright-Hargreaves Mines, from 36,900 to 51,200 shares.

LEBEL ORO PREPARE FOR 200-TON MILL

Unusual Ore Bodies Reported on Long Lake Property

Shareholders of Lebel Oro Mines are in receipt of official communication advising that a 200 ton daily capacity mill is to be constructed at the company's Long Lake property near Sudbury, Ontario.

Samplings of the tailings, from earlier operations which produced $1,100,000 in gold prior to 1916, have disclosed an average value of $3 per ton in gold at normal value. These tailings are estimated at approximately 140,000 tons and it is proposed to start milling operations on these tailings and later by the addition of some further grinding equipment to handle newly mined ore. The cost of mining and milling these tailings is estimated not to exceed $1 per ton.

Exploration and sampling of the old workings of the mine have resulted in the discovery of some marginal ore, but greater possibilities are reported to lie in the opening up of additional ore bodies similar in nature to the one mined in the early days. The ore bodies developed are said to be unlike most gold properties in that they are in the form of a large mass instead of veins, with the gold associated with quartzite. The ore occurrence is similar in type to the Noranda deposit.

At the company's other property at Mud Lake, Lebel township, Kirkland Lake district, where a shaft was sunk to a depth of 200 ft. several years ago, plans are under consideration for further development. Lee Dougan is consulting engineer for the company.

Freehold Oil Corp. Earns $25,439 Net in Two Years

The Freehold Oil Corp., operating in the Turner Valley, Alberta, shows a net profit of $25,439 for the two years ended December 31, 1933, after provision for taxes, depletion and depreciation. Gross income from the company's No. 2 well, the only one in production, was $13,468 while net income, after operating expenses, was $3,333. In addition, the company had a net income of $77,581 from its interest in the Mar-Jon wells in the southern end of Turner Valley.

The balance sheet as at December 31, 1933, showed current assets of $345 and current liabilities of $120,929, including $66,662 owing to the Union Drilling Co. for development work.

Out of the authorized capitalization of 1,000,000 shares of no par value, 946,322 are outstanding, upon which $71,900 is owing from the underwriters since 1929.

The annual meeting of the company was held in Calgary on March 24.

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BALLYHOO ABSENT AS CON. SMELTERS DOES VAST WORK

B. C.'s Biggest Exploration Effort Performed Unostentatiously

From Our Own Correspondent

VICTORIA.—Some idea of the tremendous amount of exploration work carried on by the Consolidated Mining & Smelting Co. in northern British Columbia during the past few years is given by officials of the Department of Mines here who declared that probably no mining operations have ever been carried on in the province with less publicity and certainly none of equal magnitude.

The Omineca mining division, in which these operations have been and are still being carried on, is about the size of the British Isles and the nearest of the mining properties involved is more than 100 miles north of the Grand Trunk Pacific line of the Canadian National, the closest railway. The chief method of transportation now used is the airplane, and the company has kept at least one in the district for several years past. Burns Lake, on the railway, and Stuart Lake, 42 miles north of Vanderhoof, have been used as the bases. From these points both men and supplies have been taken to the various camps.

In Area Several Years

Smelters has been active for several years on exploration and development work in this area. Measured by the number of men employed, the largest operation is that at Slate Creek in the Germanson River section, near Manson Creek. A large-scale placer development has been under way for many years by W. M. Ogilvie of Ottawa, and, during the past four years, with the aid of Smelters, a great deal of work has been done in road construction and improvement, north of Fort St. James, until it is possible in the summer to travel by automobile to a distance of ninety miles north of that point, or twenty miles beyond the Nation River. It is still a further 30 miles to the Slate Creek camp. Between 40 and 50 men are employed and many years of development and preparation brought the operation to the production stage in the fall of 1933. Installation was completed of a two cubic yard bucket Sauerman high-line plant at that time.

Airplanes Used

Near Aiken Lake, at the head of Mesilinka River, the Consolidated is developing a rich lode gold deposit known as the Polaris group. High gold values have been proven and the work is directed toward ascertaining the extent and continuity of the deposit. It is so remote that several weeks of hard travel would be required to reach it without the aid of an airplane.

For many years past rumors have come out of the Thutade Lake country, at the headwaters of the Finlay River, of whole mountains of copper. In 1933 two of these near Thutade Lake, but several miles from one another, were under development by Smelters under the superintendence of H. Giegerich of Kimberley. Further development is to be carried out during the present year and already supplies are being transported by airplane with this in view. At both properties are indications of pre-bodies of huge size, though low grade. Copper and zinc are the principal minerals.

On Morice Mountain, seven and a half miles from Bear Lake, at the headwaters of the Skeena, the company has developed claims located by F. Arthur Hankin of Hazelton in midwinter four years ago. In 1933 the claims were crown granted. They are high above the timber line, at an elevation of 7,500 ft. and mineralization is chiefly chalcopyrite with values in copper and gold.

Activity Increased

A few miles to the southeast of this property, another, the Driftwood, was crown granted last year by Smelters. It is 15 miles from Takla Lake and showings here are also high above timber line, about 5,700 ft. above sea level. Copper is the chief mineral, extensive showing of bornite and malachite being exposed. The claims are now being developed by Smelters.

Indication of increased activity by Smelters this year, not only in the regions mentioned, but also along the railway, where no interest has been shown in recent years, is given by the presence of Mr. Giegerich as field engineer for the company, at various points from Prince Rupert to Prince George last month.

Dewatering Shaft At Malrobic Mines

Work has been resumed at the Malrobic Mines property in Malartic township, Quebec. Dewatering of the 250 ft. shaft has started and first work will centre on exploration and sampling on the 250 ft. level. New financial interests have provided the company with money for its present programme. H. R. Bissell, B.Sc., is in charge of operations.

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Room 930, 25 King Street West,
TORONTO, CANADA

Institute Honors Trail, B. C. Engineer

Among those whose services to Canadian mining were rewarded at the Canadian Institute of Mining and Metallurgy, convening at Quebec this week, was R. W. Diamond, superintendent of the fertilizer plant of Consolidated Mining & Smelting Co., who received the McCharles award of $1,000 and a gold medal in recognition of his work at Trail, in connection with the chemical and fertilizer plant of the company.

Mr. Diamond was born in Campbellford, Ont., in 1891, and in 1913 took an honor degree in applied science at the University of Toronto. His work has taken him through United States mining areas. He associated himself with Smelters in June, 1917. Mr. Diamond is the fourth to receive the McCharles award, which was founded in 1910, in connection with the bequest of the late Aeneas McCharles. The award is made only when work of sufficient merit has been done.

Current Assets of $60,313 Are Shown by McWatters

At the annual meeting of McWatters Gold Mines, held in Haileybury on March 29, a financial statement was presented which showed current assets of $60,313 as at December 31, 1933. Current liabilities were shown at $8,281 leaving a net working capital of $52,032.

The old board of directors was reelected for the ensuing year with the exception of N. F. Parkinson of Toronto who was succeeded by C. F. Tuer of Haileybury. Other directors include Robt. Cockeram, Clarkson, Ont.; J. Ingram, Toronto; Peter T. Graham, New Liskeard and L. B. Rochester, Ottawa.

McKenzie Red Lake Gold Is Called for Trading

Shares of McKenzie Red Lake Gold Mines are to be called for trading on the Toronto Stock Exchange on April 3.

The company was formed on February 1, 1933, with an Ontario charter, having a capitalization of $3,000,000 in $1 par value shares of which 2,250,833 are presently outstanding.

The company's property is on McKenzie Island, about 2½ miles north of the Howey Gold Mines.

Late in 1933 a shaft was sunk to the 250 ft. level where lateral work is presently in progress.

The company is headed by W. G. Armstrong of North Bay, Ont. Funds for development have been provided by C. A. Gentles & Co., Toronto.

PREDICTS CANADA WILL SET RECORD FOR DEEP MINING

Dr. J. B. Tyrrell Paints Interesting Future for Kirkland Lake Mines

The suggestion that in the near future Canada might contain the deepest mines in the world was made by Dr. J. B. Tyrrell, president of Kirkland Lake Gold Mining Co., speaking to shareholders at the annual meeting on March 28. Already this mine had explored underground more than a mile below the earth's surface and had still 5,000 ft. below it awaiting exploration. Thus, depths, hitherto unthought of in Canada's mining, are now well within the realms of possibility.

South Africa, where veins are being mined at depths below 8,000 ft., at present boasts the deepest mines in the world, said Dr. Tyrrell. Mysore, India, is mining well below the 7,000 ft. mark. Both these have tropical or semi-tropical temperatures, and the surface temperatures are about 81 deg. Fahr. In Northern Ontario, at Kirkland Lake, the surface rock temperature is 38 deg. Fahr., increasing about 1 deg. Fahr. every 150 ft. in depth, so that at a depth of 10,000 ft. the rock temperature would be only 104 deg. Fahr. At the Mysore Mine, on the other hand, the temperature at 6,000 ft. was 116 deg. Fahr. In addition to this advantage, Dr. Tyrrell thought, the cold dry air in Northern Ontario would greatly aid free circulation through the deeper shafts.

Reviewing the history of the mine, Dr. Tyrrell recalled that from the first the operation had been one long continued exploration, with little or no ore on the surface. When he took over the management some years ago, the mine was out of ore, and the company's shares were priced at ten cents. The mill was closed and half a million dollars spent in exploring for ore, the management being convinced that ore was present. This faith was vindicated, and since then the company has been finding enough ore to keep it going regularly and pay its way.

Lowest Level Best

In 1933, No. 2 winze was sunk, to a depth of 5,477 feet, and the lamprophyre rocks, unfavorable to ore deposition were passed through. It was found for the first time that porphyry entirely comprised the hanging wall. Some high-grade ore was encountered at this lowest level and diamond drilling had picked it up at 200 ft. greater depth. Shaft sinking is being continued to these lower horizons.

An important new ore body was also found on the 1,000 ft. level, said Dr. Tyrrell.

While the complete story of the mine is still to be told, Dr. Tyrrell declared that it was located on the great Kirkland Lake vein, and just immediately west of the richest part of that vein. Five miles to the east of it have, in a comparatively brief period of time, produced $150,000,000 worth of gold.

Describing the Kirkland Lake vein, Dr. Tyrrell expressed the opinion that the ores were situated in the upper 10,000 ft. of the zone, and may extend downward another 10,000 ft.

PLAN 150-FT. SHAFT AT MACLEOD MINES

MacLeod-Cockshutt Officials Report Diamond Drilling Programme Completed

Officials of MacLeod-Cockshutt Gold Mines announced that the diamond-drilling programme has been completed and a decision has been reached to sink a three-compartment shaft to an immediate objective of 150 ft. where a level will be established. Lateral work at this level will be directed toward proving up the values indicated in diamond drilling. A new steam operated mining plant is now being installed. The company was formed last September with an Ontario charter having a capitalization of $3,000,000 in $1 par value shares to develop a group of 17 claims acquired from Messrs. MacLeod and Cockshutt. The property adjoins that of the Little Long Lac Gold Mines on the south. The property is reached from Hard Rock siding on the Canadian National Railway, three miles distant. Operations are being financed by F. M. Connell and associates.

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Toronto Exchange Lists Clericy's New Stock

Clericy Consolidated Mines had its new stock called for trading on the Toronto Stock Exchange on April 3.

The shares that have been previously traded are those of the original company which was incorporated in 1927 with a Dominion charter having an authorized capitalization of 4,000,000 shares of no par value. Last year a reorganization took place and old shareholders received one new share for each four shares previously held. At the same time the reconstruction of the authorized capital resulted in the present structure of 3,500,000 shares of no par value. Of this stock 1,115,000 has been issued.

The present company is not to be confused with the original Clericy Mines Ltd., incorporated prior to 1927. The stock in this company was transferable into that of the original capital of the present company on the basis of two new shares for each one old share held, which in effect makes this original stock exchangeable for the present capital set-up on the basis of one new share for each two original shares held.

C. & E. Corp. Wells Show Big Increase in Output

A sharp increase in output is recorded by Calgary & Edmonton Corp. for February, 1934, as compared with February, 1933. This year, 27,620 bbls. were produced from the corporations wells, with royalties amounting to $12,092. Last year the output for the same month was only 15,965 bbls. with royalties of $6,324.

NEWROY GOLD MINES
LIMITED
Dominion Incorporation
(A Subsidiary of Maple Leaf Mines, Limited)

Authorized Capital, 3,500,000 Shares of No Par Value

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C. E. MASSICOTTE, Amos, Que.
Mine Operator

Vice-President
J. A. WILSON, Toronto
Director, Maple Leaf Mines,
and Casey Summit Gold Mine

Secretary-Treasurer
FRASER RANEY, K.C., Toronto
Director, Maple Leaf Mines,
and Casey Summit Gold Mine

Managing-Director
CARL ERICKSON, Toronto
Vice-Pres., Maple Leaf Mines

Director
HOWARD L. WALKER, Toronto
Pres., Maple Leaf Mines,
Gen. Manager, Honey Dew, Ltd.

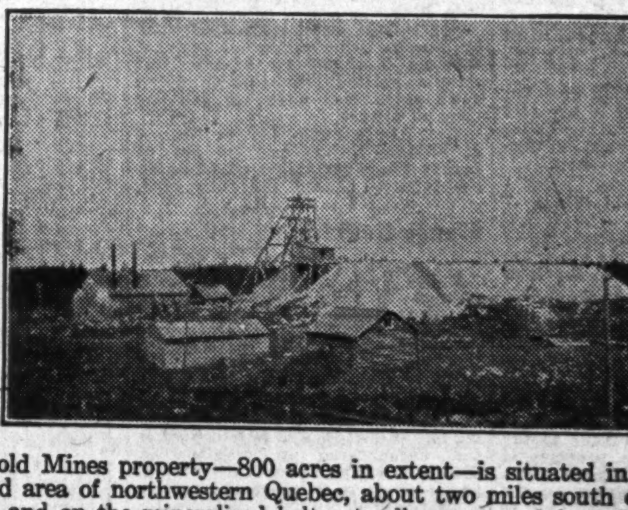
A Personal Message to Mining Investors

In recommending the purchase of NewRoy Gold Mines, Limited shares, we do so fully cognizant of the responsibility to the public we incur thereby.

We assume this responsibility without hesitancy and sponsor the issue because we sincerely believe the property is one of exceptional merit and has a much better than average chance to become a profitable gold mine.

Furthermore, because Maple Leaf Mines is financing the company and directing development, we know that it is a legitimate effort along lines in consonance with sound mining practice.

For these reasons, while the shares are speculative, the risks involved are only those inherent to all mining at a comparable stage of development, and with success the rewards should be substantial.



NewRoy Gold Mines property—800 acres in extent—is situated in the Louvicourt-Pascalis gold area of northwestern Quebec, about two miles south of Bussiere Mine (producing) and on the mineralized belt extending eastward from Rouyn. Geological conditions are strikingly similar to those at Siscoe Gold Mines to the west. The property is fully equipped for mining to 1,000 feet in depth. There are no transportation problems and electric power will be available later this year.

Ore finding effort to date has been directed towards exploration of a vein system uncovered in surface prospecting, traced for a length of 1,000 feet and stripped for half this distance. Vein width ranges from 4 to 20 feet for an average of 6 feet, with an indicated average grade $12 in gold per ton across 5 feet for a length of 400 feet. The same vein has been drifted on for 325 feet at the 125-foot level, comparing favorably in width and values with surface results.

Diamond Drilling, contract has been let and drilling will commence at once to investigate unexplored sections of the vein for the purpose of extending present limits of known ore and exploring existing parallel veins. The 270-foot shaft is to be sunk to 500 feet and two new levels established. V. B. Lyle, E.M. is in charge of operations under the supervision of Carl Erickson, managing-director, formerly with Noranda and Amulet.

The mine has reached a stage of development where important additions to ore tonnage can come quickly and pave the way for production.

Offering, 250,000 Shares at 50c Per Share

This issue having been underwritten by us, the proceeds of this sale will not go into the treasury of the Company.

Application for shares should be made either through us or through your own broker.
As we anticipate oversubscription, we advise against delay in applying for shares.

Descriptive Folder on Request

Mid-Canada Exploration Company Limited
Sponsors of Maple Leaf Mines
Dominion Building, TORONTO
WA. 2911

Code for Canada (Page 11)

Radio Stock Tipsters (Page 14)

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

OVER FOUR PAGES OF MINING NEWS THIS WEEK

The Canadian Newspaper for Business Men and Investors

Vol. XXVIII — Member of Audit Bureau of Circulations — PUBLICATION OFFICE: TORONTO, APRIL 14, 1934 — 10c a Copy; $5.00 a Year — No. 15

The Nation's Business

Foolish Talk About Interlocking Bank Directorates

Return to Gold Sought as Defence Against New War of Depreciation

Tories Also Use Post Office Frank For Propaganda

"Interlocking" Directorates

EVERY few years the spectre of interlocking directorates is raised by economic and social reformers. Recently the pages of Hansard and of the Banking Committee's evidence were spattered with names of men and companies to show how intimately the directorates of Canadian banks are bound up with the boards of our large industrial and financial institutions. Just what is wrong with the idea of interlocking directorates is not made clear. Apparently the design is to prove that all the big companies in Canada are tied up together in such a way that competition is thwarted and the economic life of the nation is subjected to the dictatorship of a limited group of wealthy men.

There are certain conditions under which interlocking directorates would be rather dangerous. If there were an interlocking of directorates between all the banks in Canada then the public might be suspicious. But in the entire list of directors of Canadian banks printed in the Banking Committee evidence there is no name of any man who is a director of any two chartered banks. There are few cases of any man being a director of two trust companies or life insurance companies.

* * *

BUT the fact that competitive institutions are not linked together through single directors does not deter the zealous critics of our financial system. They draw spider-web charts to show connections between the banks. For example: Hon. Patrick Burns is a director of Burns & Co. and of the Bank of Montreal. John I. McFarland is a director of P. Burns & Co. and the Bank of Toronto. Hence the Bank of Montreal and the Bank of Toronto are effectively linked, it is argued. With this link as an example one would easily find a way to draw lines on the spider-web chart to link up every bank, and every large financial and industrial institution in the country. But the method of proving the interlocking is both unfair and dishonest. The Bank of Toronto and the Bank of Montreal are no more linked by such a connection than they would be by means of the fact that a director of one bank might belong to the same golf club as a director of the other bank. To speak of "interlocking" directorates on the basis of such a connection is simply puerile. The directorates are not interlocking at all.

* * *

ON the other hand, it is quite true that the directorates of the banks and other financial institutions are linked with the directorates of our large industrial corporations The bright intellectuals who sense a danger in this might define that danger a little better. Would they make a rule that no man who has been successful in industry is to lend his advice and assistance to a bank? That the banks must be directed solely and entirely by men who haven't enough ability to be invited to sit on any other board? That a man of proved business genius should be forbidden to share his ability with more than one institution?

The radicals have stirred up a mare's nest. The whole discussion about interlocking directorates, particularly of the banks, is rather silly when analyzed properly.

* * *

Currency Warfare Must Be Averted

THERE have been threatening rumblings recently of a possible resumption of the currency depreciation war that upset world finance during 1931 and 1932.

Canada was tossed unpleasantly on the economic sea during that period of the monetary instability. One of the strongest influences in our recent substantial recovery is the measure of stability that has been reached in world prices and world exchanges.

There is a danger that further devaluation of the dollar by the United States or abandonment of gold by some leading European country would start another round of competitive depreciation and halt recovery in its tracks.

Hence the plea is now being made for tentative agreements between the leading nations on some

(Continued on page 2, col. 3)

BREWING COS. EXPECT SALES FREER JULY 1

New Ontario Legislation Expands Outlets Many Times

MANITOBA NEXT

Possible Decrease in Dominion and Provincial Taxes Rumored to Permit Cheap Beer by Glass

Brewing Corporation, including Cosgrave's Brewery now controlled by it, Canada Bud Breweries, the Walkerville Brewery, and other large brewing concerns in which there is no public interest, expect to begin drawing a better income by July 1, next, as a result of the new legislation extending sale of ale and beer to hotels, restaurants and clubs. Although the legislation will not be made effective until after the election. It is now agreed that the election will come about June 11 or 12.

The report of the Liquor Board of Ontario showed 124 stores as being open on October 31, 1933, 102 brewery warehouses and 32 breweries retailing beer in Ontario. Four Montreal breweries, Frontenac, Molson's and National Breweries were represented in the brewery warehouses. An indication of what the new law will mean to the brewing industry of Ontario may be given by stating that there are 2,500 standard hotels in the province of Ontario and more restaurants than there are hotels. Instead therefore of 256 outlets as at present under the Liquor Control, it is probable that there will be many times that number.

Brewery capacity in Ontario is many times present needs. A policy concentrating production may be followed.

Three breweries discontinued operation during 1933: Grant's Spring Brewery Company, of Hamilton, Rock Brewery, of Preston, and Sarnia Breweries, of Sarnia, which had re-commenced operations at the beginning of the year. The Jockey Club Breweries of Guelph reopened in April, 1933.

Permits to Cease

The brewery companies consider one of the principal advantages likely to be reaped under the new law in the expected dropping of permits. In other words, consumers will be able to call up brewery companies as they do any other company and order what they desire. This great increase of convenience is expected by the companies to improve their business considerably.

Sell 9,500,000 Gallons

The report of the Liquor Control Board for 1933 shows that the total Ontario sale of domestic beer has dropped from 9,328,328 gallons in 1928 to 7,466,670 gallons in 1933. The highest sales were made in 1929 at 11,057,016 gallons. In 1928 sales were made to other provinces of 1,301,391 gallons and export sales of 3,768,519 gallons, or 5,069,910 gallons in addition. But in the fiscal year ended October 31, 1933, sales to other provinces, were 1,167,854 gallons, a slight increase, while export sales almost disappeared with a total of 143,182. Therefore the total sales in 1933 were about nine and a half million gallons. Most of these sales were made from breweries and brewers' warehouses.

The profit and loss account of the Liquor Control Board for 1933 shows total sales of beer, wine and spirits at $30,143,247 of which direct sales by breweries and brewers' warehouses accounted for $11,470,201. Permits issued during 1933 amounted to 331,746.

Sales Fell Off

On its total sales the Liquor Control Board of Ontario made a profit of $5,423,622 in 1933 and remitted $5,450,000 to the provincial treasury, the surplus from the previous year being $449,338. Since the board commenced operations in June, 1927, it has had a profit of 49,735,000 from profits and $5,333,390 from permit sales. The gross trading profit was $7,016,508 and

(Continued on page 2, col. 6)

Prices Remain At Feb. Level In Past Month

Wholesale prices showed very little change in March as compared with the previous month, it is revealed by the Dominion Bureau of Statistics index number. The level of prices was 12 per cent above that of March a year ago, however.

Footwear production showed an increase in February over the previous month, following the seasonal trend, and the total for the month was ten per cent above February a year ago.

		— Change — From prev. period %	From prev. year %
Monthly	March, '34		
W'sale prices, No.	72.0	—0.1	+12.0
	Feb., '34		
Retail sales, No.	58.2	—3.7	+7.2
Footwear prod., pr.	1,324,049	+28.0	+10.0
Crude pete. imp. gal.	44,368,612	—23.0	+18.0
Weekly*			
Car loadings, No.	38,512	—9.0	+11.8
Cattle sales, No.	11,679	—0.1	+12.3
Hog sales..., No.	17,426	—20.9	—26.1

*Weeks ended March 31, April 5 and 5 respectively.

Refinancing Debts Of Canadian Farmers Part of New Scheme

Federal Legislation Will Provide Means of Settlement of Private Debts Apart from Bankruptcy Courts — To Follow Company Precedent

FARM LOAN BOARD LIKELY MEDIUM

Adjustment Commissioners Will Arrange Terms of Settlement, and New Financing Where Necessary Will Come from Ottawa via Chattel Mortgage — Loan Limits to be Increased

By Staff Editor

OTTAWA—The most significant legislation of the current session of parliament is forecast to be tabled soon at Ottawa to bring relief to a great army of Canadian farmers now weighed down by mortgage and other indebtedness. It will be the first attempt at a national solution of this problem and its sponsors hope it will bring new life and hope to tens of thousands of rural citizens—particularly in the Prairie West.

In brief the plan which will be proposed is as follows:

1. Formation of federal machinery which will do for the individual farmer what was attempted last year for hard-pressed Canadian corporations by means of the Company Creditor Arrangement Act. That is: offer under federal auspices an avenue of debt-settlement apart from the bankruptcy courts.
2. Provide a means under federal auspices whereby debtors can scale down their indebtedness without prejudice to the interests of secured and unsecured creditors. Such settlements would be in the hands of competent federal adjustment "commissioners." Expenses of carrying out such adjustment to be borne by the federal government.
3. Enlarge the powers of the Federal Farm Loan Board to enable it to offer new financing where necessary to clean up existing debt situations. Such new money to be available under a chattel or second mortgage up to two-thirds of the value of the debtor's land, buildings and equipment. Present lending power is only up to 50% of the value of the land and buildings.

Will Avoid Bankruptcy

Fundamental viewpoint behind the new statute is the fact that provincial debt legislation—particularly in the western provinces—has virtually prevented, rather than assisted, debt adjustment. As a result farm debt has been piling up in an alarming fashion to the detriment of both debtor and creditor. Under existing law the only avenue of jurisdiction open to the Dominion in respect of private debts, is via the bankruptcy courts, but use of this power would tend to aggravate rather than cure the situation by driving farmers from their land—the very thing most creditors are anxious to avoid.

Last year federal legislation was enacted to provide a means of settlement for corporations apart from the bankruptcy act and the new statute will aim to provide similar relief for individual debtors. The fact that the Company Creditor Arrangement Act is being challenged in the Supreme Court at the present time as to its constitutional validity, is not thought to be a deterrent to the new statute since the weakness of the C.C.A.A. is thought to lie more in detail than in principle.

Method of Procedure

Probable procedure under the new act will be for the debtor to make application for a settlement of his debt, whereupon a federal adjustment commissioner (paid by the government) will confer with debtor and creditor; work out a statement of assets and liabilities and so forth, and attempt a settlement on a basis fair to all parties and without recourse to the bankruptcy courts.

If no proper basis for settlement can be obtained due say to the need for new money to finance the settlement, the extended powers of the Federal Farm Loan Board may be utilized.

New Farm Loan Plan

At present this body can only make loans on a 6½ per cent basis up to 50 per cent of the value of land and buildings. Its new powers will probably enable it to loan on the value of farm equipment as well—the whole loan to be as much as two-thirds of the value of land, buildings and equipment.

The scheme to be adopted however will, it is expected, provide for two mortgages. One a first mortgage on the same basis as formerly (that is, 50 per cent of value of land and buildings) and also a second or chattel mortgage for the remainder of the loan. New money will be provided for the government for this purpose to the extent required. It is thought that, between $15,000,000 and $20,000,000 will be ample for this purpose. Present loans outstanding by the Farm Board are in the neighborhood of $10,000,000.

If such new financing is necessary in individual cases it is thought that the entire debt will be turned over to the Farm Loan Board on the principle that where the second mortgage is, there shall the first mortgage be also.

Probable Interest Rate

Whether these new loans will be made at a lower than prevailing rate of interest is still indeterminate although the Ingersoll speech of Hon. R. J. Manion leads to the belief that this new money may be available at a definitely lower rate of interest in order to give added impetus to the plan

Even if this is not done the average debtor will find his burden considerably lighter by way of interest charges, which may be what Dr. Manion had in mind when he made his statement.

He is reported to have said in this connection:

"The prime minister has been dealing with the loan and mortgage companies with a view to reduction in interest rates. I may say that I believe in a short time this reduction will be an accomplished fact."

One difficulty about financing these new loans at a lower interest rate, would be the need of a similar revision in all loans now outstanding with the farm loan board.

Beyond the injection of this $15,000,000 to $20,000,000 of new mon-

(Continued on page 2, col. 2)

PROBE PLANS EARLY RETURN RETAIL FIELD

Awaits Returns of Special Investigators in Various Lines

NO INTERIM REPORT

From Our Own Correspondent

OTTAWA — While the Stevens price spreads committee is working this week on the livestock industry, it is expected that the enquiry into the manufacturing industry, the distribution and the retailing trades will re-commence in the near future.

Those in charge of the committee work are unable to say exactly when the main operations of the committee will be resumed, nor can they say, as yet, in what order the representatives of the distributors and retailers will be called.

Await Special Reports

The delay, it is stated, is not being caused by requests from large departmental and chain stores for postponements while they prepare their cases. It is due to the fact that the committee has four or five main enquiries under way through special investigators, and a dozen or more lesser probes into relief rolls, wage levels and so forth, and that reports from these special enquiries have not been received. Until the reports are in hand and have been thoroughly studied, the committee counsel will not be ready to call the representatives of the departmental and chain stores. Nor is it likely that the probe into the packing industry will be carried further than it already has been.

Several rumors which are current at the capital are officially denied by those who are in close touch with the operations of the committee. Thus it is being said that the committee is preparing an interim report for presentation to parliament. This, it is said, is not true. Nor has the committee, as yet, given serious thought to remedial legislation.

Investigators at Work

The chief investigators now at work for the committee are reported to be: C. D. Fessenden, who is enquiring into the furniture industry; J. Crowder, who is investigating the chain stores; D. Johnston, who is dealing with the departmental stores; Peat, Marwick and Mitchell, accountants, who are handling the packing industry; Clarkson, Gordon, Dilworth, Guilfoyle and Nash, the department stores; and Fred Page Higgins & Co., the chain stores.

These investigators have made some reports but have not completed their studies. In furniture, for example, twenty or thirty of the largest plants will be gone over. Mr. Fessenden has only finished one or two. And so with the stores and the packing plants.

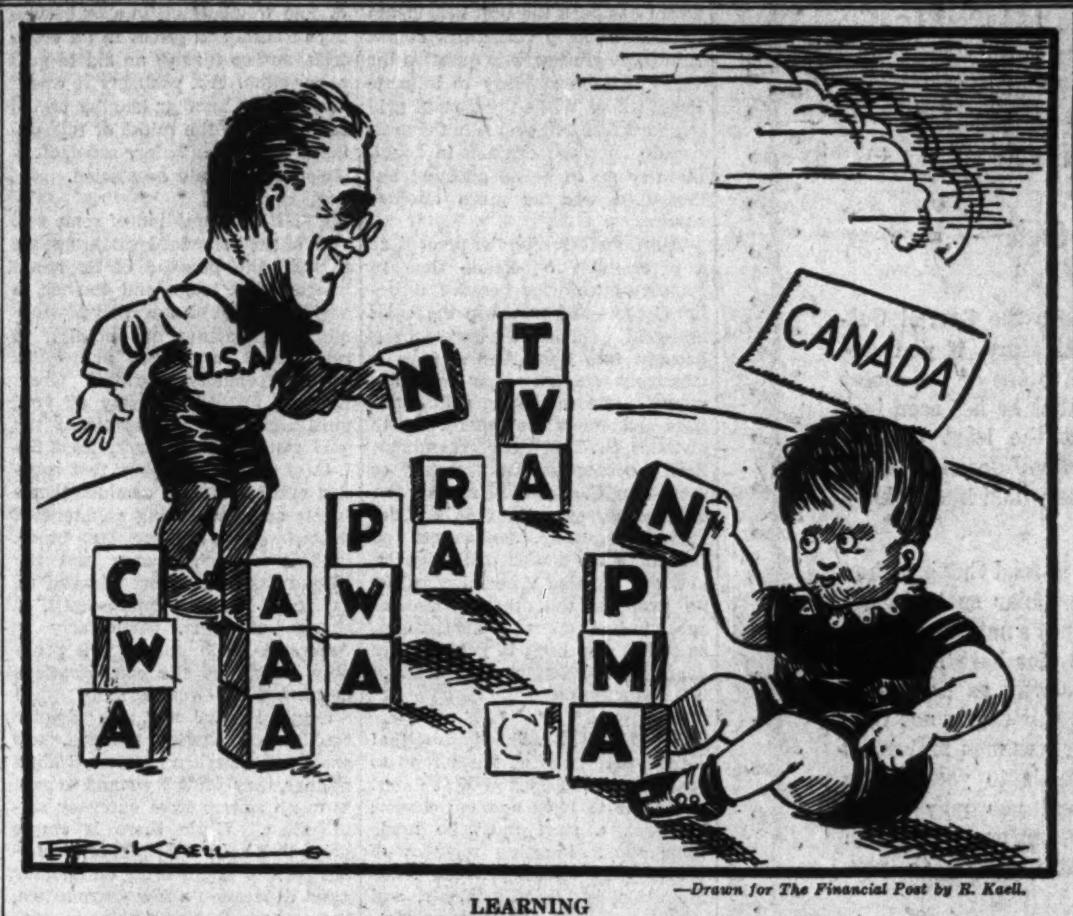
These investigations are being carried out under the general supervision of J. M. Boyce, a junior trade commissioner of the Department of Trade and Commerce, who is making a name for himself by his ability to co-relate facts and assist the investigators.

Probe Follows Plan

The dozen or more lesser enquiries into wage conditions, relief rolls, etc., are being carried out chiefly by departmental officials borrowed from the various departments of the government.

With several weeks of investigation behind them, the Stevens committee is now proceeding according to well laid plans, and the evidence is all being co-related and docketted almost as rapidly as it is

(Continued on page 2, col. 6)



—Drawn for The Financial Post by R. Kaell.

LEARNING

MAY DICKER FOR HOLDINGS WPG. ELECTRIC

Ratepayers Averse But Council May Avoid Submission

NEGOTIATIONS

From Our Own Correspondent

WINNIPEG—Purchase of the entire holdings of the Winnipeg Electric by the City of Winnipeg now looms up as a possibility, following adjournment of the Manitoba Legislature with action on the bill for dealing with the electric railway utility only. Adjournment, and not prorogation, brought an end to the sitting of the legislature, the understanding being that a special session might be held in June, at which the Street Railway Bill might be proceeded with, as well as any legislation found desirable as result of enactment of new marketing bill by parliament.

City Opposes Divorce

Strenuous opposition by the city succeeded in delaying legislative action on the Street Railway Bill. That, in effect, would have divorced the electric railway utility from the power and light utilities of the Winnipeg Electric, placing it under operation by a subsidiary company, and placing a valuation of $6,000,000 upon it, on which sum the operating company might endeavor to make an earning, or sell the enterprise to the city.

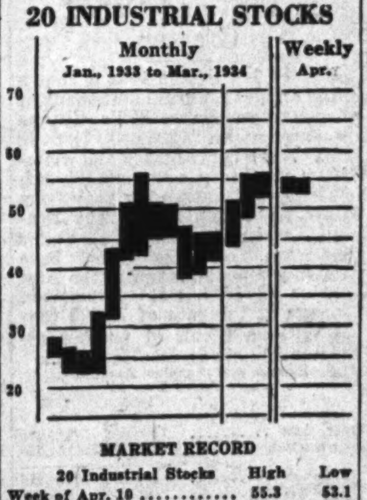
Representatives of the City of Winnipeg opposed the bill, which had been worked out by the Public Utilities Commission of Manitoba, first on the ground that the legislature should not interfere between the city and the electric company, but should leave control of its own streets to the city, and, secondly, because the proposed arrangement would deprive the city of $300,000 annually now collected in taxes and charges. While the government was believed to be in favor of pressing the bill, the majority of rural members could find little reason for interfering with a local Winnipeg problem, and showed a reluctance to proceeding in face of the city's opposition.

May Purchase All Holdings

The episode, however, has alarmed the city council into believing that if it does not settle the matter itself the legislature will, either in June or at some later date, make final disposition of the whole affair. As a result, the civic transportation committee suggested that negotiations be undertaken for the purchase of all holdings of the

(Continued on page 2, col. 6)

Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Apr. 10	55.3	53.1
Week of Apr. 3	55.3	53.1
Month of Apr., 1933	32.2	23.0
10 Public Utilities		
Week of Apr. 10	54	52
Week of Apr. 3	54	52
Month of Apr., 1933	45	39
8 Bank Stocks		
8 Bank Stocks		
Week of Apr. 10	186	184
Week of Apr. 3	186	183
Month of Apr., 1933	150	143

DOMINION LOAN MAY BE PLACED AT 4% OR LESS

Government Awaiting Developments; Refunding $60,000,000

JOHNSON BILL

By Staff Editor

OTTAWA—With the market for gilt-edged bonds at about the highest levels in three years, the Dominion Government is laying no definite financial plans. Fiscal authorities are hoping that by the time the government has to go into the market for funds conditions will be even better than at present, The Financial Post is informed. This would indicate hopes of a 3¾ or 3½ per cent loan, since present rates are slightly below four per cent.

The Dominion will probably follow the practice for some years past and seek money some time in October. There will be a refunding loan to take care of some $222,000,000 of 5½ per cent Victory bonds maturing Nov. 1, it is understood. Additional funds may also be sought, it is believed.

The other large maturity this year is $60,000,000 of four per cent notes maturing in New York on Oct. 1. These are redeemable on July 1, or the first day of any succeeding month. Three alternative methods of handling this maturity are suggested. The issue may be refunded (1) entirely in New York; (2) partly in New York and partly in Canada; or (3) entirely in Canada. The last is considered doubtful. Although conditions within the next few months will determine the policy regarding the notes, officials seem to feel that part of the loan will be repatriated to Canada, and that part will be refunded in New York.

Views on Johnson Bill

In connection with the Dominion's American financing, finance department officials view as most important the Johnson bill, recently passed in the United States, and which prevents any government, in default on obligations to the United States, from borrowing in that country. The question of what constitutes default is still uncertain. American authorities differ, for instance, on whether Great Britain would be considered in default because of having made only "token" payments on its war debt. In Canada's case, a default by a province or other subsidiary government would not prevent the Dominion from borrowing or refunding in the United States, it is thought.

The importance to Canada of the changes in the bill in the process of legislative digestion is evident when it is considered that as first proposed it would have barred from the American market any country of which a minor government was in default. For instance, default on American debts by one Canadian municipality might have prevented the Dominion borrowing in New York, Ottawa officials point out. In the form finally passed, the Johnson bill excludes nations in default of private debt only and excludes refunding issues that replace old obligations. Its chief reference, therefore, is to intergovernmental debts.

At present Russia appears to be the chief victim of the Johnson bill. The Soviets defaulted the obligations of the Kerensky Government to the United States. And, pending settlement of the American claims, Russian trade with the United States may be hamstrung by the new statute.

Pays Winnipeg Electric Bond Interest Due October

Winnipeg Electric Co. on April 10, 1934, decided to pay the half yearly interest which fell due on October 2, 1933, and which was then passed on the 5 per cent mortgage stock and the 6 per cent bonds. The interest due in April was not dealt with.

Highlights of the week

Codes for Canada

Fair and unfair practices in modern competitive business. Problems of the business man that Canadian codists would try to solve. How the N.R.A. attacks the job. Page 11

Radio Tipsters

Invasion of your living room by stock salesmen of the air. Why they should be controlled. Page 14

House of Boots

The house that boots built. How the Dack business grew into a national enterprise. Page 8

Free Farms

Canadian governments are virtually giving farms away, and are supplying $600 cash to selected indigents to occupy them. How our land settlement scheme is working out. An unbiased exposition. Page 8

Mines Boom

Spring cleaning of mines on stock exchange. Page 18. Mining men plan to get rid of crooked promotions. Page 17. What went on at the Quebec mining convention. Four pages of news for investors. Pages 17 to 20

Revaluing Gold

Rumors that gold is soon to be raised in price again in the United States seem awry. An authoritative review of the present position. Page 19

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PRICE BROS. FINAL PUSH NOW LOOMS

File Washington Papers Clearing Way for Foreclosure

COMPROMISE LIKELY

Bowater Plan for Control of Property Passing to Last Stages of Struggle

From Our Own Correspondent

MONTREAL. — Bowater's Canadian Paper Corp., Montreal, has filed papers in Washington under the terms of the new United States Security Act, setting forth particulars of the contemplated acquisition of the mortgaged assets and probably other assets of Price Bros. and Co. in bankruptcy.

This marks the first step in the last stage of the struggle that has been going on since the early part of 1933 to determine where the future control of Price Bros. and Co. will rest.

Bowater Paper Mills and associated interests, on the one hand, and the Duke-Price Power Co., Lord Rothermere and the London Daily Express (Lord Beaverbrook's paper), on the other hand, have been competing for control.

Series of Offers

Last fall the Bondholders Protective Committee of Price Bros. and Co. accepted an offer put forward by Bowater. At the same time a proposal was put before the unsecured creditors and the shareholders through the Trustee-in-bankruptcy. The latter turned down the offer, saying that he expected a more favorable proposition.

On January 18 last the Duke-Price Power group came forward and submitted an offer. This was turned down by the bondholders committee. The following day Bowater submitted another proposal, which also was acceptable to the bondholders' committee. A second offer was brought forward by Duke-Price Power in February.

No Definite Decision

A meeting of the unsecured creditors and shareholders was called by the Trustee for March 9. Just before the meeting Bowater withdrew the offer to the unsecured creditors.

Common shareholders and unsecured creditors voted to accept the Duke-Price plan, but the preferred shareholders favored the Bowater plan.

Reached a Stalemate

The situation then stood with the bondholders having accepted the Bowater terms and the preferred shareholders favoring acceptance of the same group's offer. The common shareholders and unsecured creditors, whose majority vote rested with the Duke-Price Power interests, favored the opposition plan.

While there have been no public pronouncements since then, matters have not been allowed to drag.

The filing of papers in Washington indicate that the Bowater and the bondholders' committee are prepared to go ahead and force a foreclosure and public auction of the assets of Price Bros. and Co., securing the bonds.

Compromise is Possible

It may not be necessary to put the property up for public auction, as an unconfirmed report is that an arrangement or compromise has ben reached between Bowater and the Duke-Price Power groups.

This compromise may have been hastened by the action of Bowater in filing the paper at Washington. In any event, Bowater and the committee have shown their determination to stand on their legal rights by clearing the way for a forced sale of the assets.

Had Strong Position

Through control of approximately 75 per cent of the bonds, the bondholders' committee occupy a strong position as regards their ability to bid and buy in the mortgaged assets. By securing the property in this way, the unsecured creditors and the common shareholders would have trouble in further blocking the plans permitting control to pass to the Bowater group.

Still Another Offer?

It would not be surprising if, in the course of the next week, an offer was put forward by Bowater which would meet with approval of the unsecured creditors and the common shareholders. It is desirable to have a reorganization satisfactory to all concerned, but if the opposition will not accept the offered terms, the only other alternative would be to put the mortgaged property up for auction. By filing particulars in Washington, the way has been made clear for the bondholders' committee to fulfill the terms of their agreement with Bowater.

Interest in Stocks

Meanwhile, expectations of a compromise or the early fulfillment of the plan sponsored by Bowater is reflected in the market action of Price Bros. and Co. common and preferred stocks. Since the March meeting, public interest in Price Bros. stock has lagged, but in the last few days there has been a much broader market.

The renewal of this interest coincides with the return to Montreal of certain principals of the Bowater group, who have been in England for the last three weeks.